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LATIN AMERICA REPORT

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BRIEFS

PETROPERU OIL EXPORTS--The State Petroleum Agency, Petroperu, exported 4,131,000 barrels of gasoline from 1981 to September 1982. [Lima EL COMERCIO in Spanish 22 Nov 82 p A14 PY]

CSO: 3348/136

BRIEFS

CAF LOANS--The Andean Development Corporation, CAF, has approved a \$15 million loan to Bolivia. The CAF meeting held in Caracas yesterday approved loans of \$27,400,200 for Bolivia, Peru and Ecuador. The \$15 million granted to Bolivia will go to finance the reactivation of the nation's industry and mining activities in the hands of private enterprise. The CAF also opened a \$10 million line of credit for Peru's financial development corporation. The line of credit is aimed at stimulating Peruvian exports. [PY122046 La Paz Cadena Panamericana in Spanish 1130 GMT 11 Dec 82 PY]

CSO: 3348/143

BRIEFS

IMPORTS, EXPORTS REPORT--St Johns, Antigua, Dec 18, CANA--Antigua and Barbuda's imports this year are expected to be worth 348.8 million dollars (one E.C. dollar; 37 cents U.S.), an increase of 8.9 per cent over 1981, the government said. The statistics division reported that total exports for 1982 are estimated to be worth 56.8 million dollars, an increase of 32.7 per cent over last year. The government said Antigua and Barbuda's trade deficit stands at 247 million dollars, an increase of 22.7 per cent over 1981. [Text] [FL181850 Bridgetown CANA in English 1729 GMT 18 Dec 82 FL]

CSO: 3298/1180

BUENOS AIRES PROVINCE INAUGURATES NEW SILOS COMPLEX

Buenos Aires CLARIN in Spanish 27 Nov 82 p 20

[Text] A private firm has built a silo complex that can store 70,000 tons of grain at the port of Quequen; it will facilitate the movement, transportation, warehousing and marketing of harvests in southeast Buenos Aires.

The grain-marketing company Arcer S.A. will inaugurate the complex this coming 11 December, thus expanding the region's inadequate grain-storage capacity.

The head of the company, Alberto H. Artaza, explained that the project was built for the use of private grain warehouse, while Arcer will continue to operate solely as a grain brokerage firm, the first of its kind in the country.

The 70,000 ton capacity complex was financed by private and state-run Argentine banks.

Although the storage plant will have an operating capacity of 70,000 tons, it will begin at slightly over 50 percent capacity. It will operate with 2 incoming grain unloading platforms that can handle 240 tons an hour.

Rounding out the complex is a 160-square meter roofed building on a 5,600-square meter piece of land where 30 people will be engaged in various tasks.

The complex is 5 kilometers from Necochea, at the port of Quequen. It will serve as a real outer port to handle the harvests from a broad surrounding area. Practically all grains from the area will be shipped from this port, which is regarded as "foul" because of its shallow depth. Because of this, Necochea growers receive \$1.50 a ton less than for shipments from Bahia Blanca.

Artaza pointed out in this regard that if 3 million tons are shipped out of Quequen this season, the area's farmers would lose \$4.5 million, which in his judgment could be invested to enhance the port's depth and facilities.

AGRICULTURAL SECTOR REITERATES DOUBTS CONCERNING MEAT POLICY

Buenos Aires CLARIN in Spanish 27 Nov 82 pp 2-3

[Article by Mario Krasnob]

[Text] Although the issue of meat policy was not given as much emphasis this week as in the past, the various developments that came to light suggest that in one way or another everything that has been done so far in that and other facets of farm policy is being reconsidered.

The week's first sign was the warning issued by the interventor of the National Meat Board, Luis E. Garat, to the effect that Argentina might be pushed out of world markets by the policy of subsidies and long-term credits that the European Economic Community has implemented and by Brazil, a recent "imitator."

Garat said that Brazil exports meat at "very low prices, even lower than the the community's, and furthermore it offers extremely lengthy payment periods (1 year) with very low interest rates."

"Argentina's big problem," he felt, "is that a clear-cut decision has not been made to promote meat exports, because some economic factor, such as the cost of living or something else, gets in our way and causes available supplies to diminish over time."

In conclusion, the interventor said that Argentina's market share hinged on "adopting policies that are at least as aggressive as those of our competitors."

What does this statement mean? Will Argentina now begin subsidizing or, rather, promoting its exports? Will we push exports by utilizing methods that contradict the "philosophical principles" in effect during the past 6 years of economic policy?

Garat's remark is, in fact, at odds with what has been done so far in all of the sectors involved in the production of meat. The drop in beef exports was not due to the emergence of Europeans or Brazilians on the world market; It was the result of a domestic economic liberalization policy, based on an exchange rate lag, that hampered any sort

of overseas transaction; it resulted from the failure to recognize meat exports as industrial exports and from taxing them as if they were unprocessed raw materials, and it stemmed from the government's stubborn insensitivity to the situation in the sector.

But what has been done so far has also adversely affected the producing sector, as we can gather from a statement released in recent days by the Rural Association of San Andres de Giles, which is affiliated with the Confederation of Buenos Aires and the Pampa Rural Associations (CARBAP). Although the purpose of the statement is to respond to the demands of a meat-packing industry chamber, it mentions that the reason for the current livestock "bottleneck" is that "cattle prices have been so depressed for several years now; the livestock herd has shrunk considerably (a problem that rural groups have been speaking out against for quite some time, though they have never been heeded), and the market is now beginning to pick up again, in the context of all of which comes this explosive shock."

Although the ranchers and the processors have different views on what solutions ought to be implemented, they agree in their assessment of the past 6 years of economic policy under Jose Alfredo Martinez de Hoz (with Garat as chairman of the Meat Board) and several of his successors.

Until quite recently, for example, sector development was said to be unfeasible because of the incompatibility of domestic consumption and exports, which was shown to be untrue. What has actually occurred is that there has been a clear-cut drop in both areas.

Diagnoses and Cures

Garat also voiced his conviction that if available supplies were at 100 percent, sizable amounts could easily be placed on the world market.

The concern with securing larger supplies has been corroborated by the fact that large volumes of cattle on the hoof will supposedly be imported from Uruguay, as we can infer from the statements made by the Rural Association and the Rural Federation there, the two unions to which most ranchers belong.

But even if this statement is true (though any solutions would have to be similar to the methods of competing countries), it does not square with the responses that the exporters have gotten so far to their demands for better conditions for their activities.

Their demands were so downplayed and the "laissez faire-laissez passer" approach was so predominant that the situation today is at an intolerable impasse.

In fact, the Chamber of Regional Meat-Packing Plants had to ask the government to guarantee the pay of workers in the sector's firms, because activity is down 40 percent.

Since returning from his swing through the Middle East (the results of which could not be described as good), Garat has made it a point to hold successive meetings with ranking officers of the Army Chief Command; with Economy Minister Jorge Wehbe and with Planning Secretary Jose Miret, and he even said to have attended a cabinet meeting in which he sounded an alarm about the situation in the sector.

Of course all these efforts had the backing of Agriculture and Livestock Secretary Victor Hugo Santirso, but morale is generally thought to be very low in the secretariat, as its officials claim, on the one hand, that "no one listens to us," while relations with farm leaders grow increasingly cold because of the lack of concrete responses.

This isolation stems directly from the lukewarm or whole-hearted defense of "philosophical principles" that are in no way compatible with the actual conditions in a sector that needs answers that, while perhaps not orthodox, work well enough under the current circumstances.

The Union Front

All of the above signs indicate to sector leaders that "something is going to change" in the medium or long run, and they are making their moves in light of this.

On the one hand, the meeting last Saturday in Mendoza to which the Argentine Agrarian Federation invited 28 agricultural organizations was the first step in the formation of the National Agrarian Front.

The meeting put particular emphasis on fighting for "the small and medium sized producers in all of the country's regions." This was, in fact, a regional gathering, the first in a series from now until March 1983, the purpose of which is to take slow but steady steps towards the establishment of a group with nationwide strength.

In addition, the talk between the head of the CRA [Argentine Rural Confederations], Raul Romero Feris, and the leader of CARTEZ [Confederation of Rural Associations of the Third Zone], Carlos Briganti, at least seems to have been a sort of "family feud."

Briganti criticized Romero Feris for not having carried out his organization's instructions in his meeting with Wehbe, inasmuch as he claimed that the CRA head did not tell the minister that the posted price of wheat had to be boosted, especially in light of the export withholdings in effect now.

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CSO: 3348/138

NAVY COMMANDER ON CIVILIAN GOVERNMENT, FALKLANDS

PY161257 Buenos Aires TELAM in Spanish 1500 GMT 15 Dec 82

[Excerpts] Buenos Aires, 15 Dec (TELAM)--Navy Commander in Chief Ruben Franco asserted today that the armed forces will institutionalize the country and that they will support the constitutional government that is elected. Moreover, Admiral Franco stated that the armed forces will inexorably support the new constitutional government throughout its term of office.

Admiral Franco delivered a speech during the Christmas luncheon hosted in honor of journalists at the Libertad building, the navy headquarters. In his speech Franco stated: We fought against subversion, and we will do it as many times as is necessary, because we will not allow terrorism or adverse interests to restrict national or individual freedom.

"The electoral process will inevitably be concluded in 1983. We will pursue the country's institutionalization by all means," the high-ranking naval chief stated.

Franco stressed that the Argentine people should learn a harsh lesson so that consensus can be obtained within the framework of the constitution. This lesson is that holding constitutional election is easy, while the most difficult thing is to maintain the objective obtained through them, namely an enduring democracy.

"During our administration we made mistakes, but we also carried out successful actions. Each Argentine citizen has sadly learned that neither absolute guilt nor absolute innocence exists," the navy commander in chief stated.

"Although we are currently being blamed for all the setbacks, history will tell the truth above and beyond the judgment of men and of dangerous unilateral opinions." Franco then stated that the armed forces' government will be handed over in an honorable and orderly fashion and with the respect that Argentina and its inhabitants undeniably deserve.

Franco stressed: We will not abandon this hard struggle because pressure is being applied or because we are bewildered, nor shall we do so in disgrace. We will withdraw from the political field with the noble dignity proper for the descendents of the heroes who liberated the continent.

As for the South Atlantic conflict, Admiral Franco stressed that spurious interests were not the cause of the war we experienced. Courage and pain escorted our national flag. The sacrifice was by no means fruitless.

Admiral Franco added: "Everyone can rest assured that, no matter how much time elapses, we will not give up the idea of raising our flag on the Malvinas, South Georgia and South Sandwich Islands' archipelago. We have this duty to the nation and to the Argentine heroes who died during the war. Justice demands it."

CSO: 3348/145

EPISCOPATE SOURCES ON NEED FOR SPECIFIC PROPOSALS

PY171416 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0107 GMT 17 Dec 82

[Text] Buenos Aires, 16 Dec (NA)--Tonight a church source stated to NOTICIAS ARGENTINAS that an evaluation of all the attempts made up to now seeking reconciliation shows that "neither the civilians nor the military have repented."

In referring to the subject of missing persons, the source stated that "the government always states that it will give an answer to the problem when the time is right and still has not done so; I don't think they have one."

Regarding the meetings various delegations held with the bishops' social and pastoral commission, the source stated that "there were coinciding views on the problem of missing persons and the socioeconomic situation, but very few specific solutions had been proposed."

The source stated that "I believe that rather than trying, by any means, to get people to join them, the political parties should propose specific solutions."

Regarding new contacts between the church and the government, the source stated that "It is possible contacts will be made." Although the source was not able to state whether a meeting would be held before the end of the year he pointed out that "the lines of communication remain open."

The church source insisted that "one should think of the future. It would be a good thing to hear proposals for specific solutions." The source added that "it is obvious that neither the civilians nor the military have repented."

The source then pointed out that "some consider the problem of the missing persons the priority issue, while others the socioeconomic situation."

When asked whether information would be released on the result of the meetings held by the bishops' social and pastoral commission, the source stated that it was "unlikely."

He stated that "I think it is unlikely that conclusions will be reached and that they will be disclosed because the various delegations had coinciding view regarding the problem of missing persons and the socioeconomic situation but very few specific solutions were proposed. Anyway the subjects discussed are no secret. They have been published in the newspapers through the statements made at the end of the meetings."

Regarding rumors on disagreements among the bishops he stated: "I would have liked journalists to attend the meetings in order to appreciate the unanimity among the members of the episcopate."

The source also stated that he was not aware of whether or not the government had sent the bishops a draft of the answer it was allegedly preparing on the subject of the missing persons.

The source ended by stating that meetings might be held during the coming days with some delegations which had previously asked to meet with the bishops' social and pastoral commission. Among them are the party headed by Alvaro Alsogaray and the Argentine industrial union, but after that "there will be a break" since many bishops are going to travel and because it would be "proper to lessen tensions."

CSO: 3348/145

JUNTA SEEKS UK COMPLIANCE WITH GENEVA CONVENTION

PY161838 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1715 GMT 16 Dec 82

[Text] Buenos Aires, 16 Dec (NA)--The Argentine Government has decided to ask through the International Red Cross for compliance with the Geneva convention regarding the remains of Argentine soldiers who died in the Malvinas Islands.

This decision was reached today by the military junta which met at the Libertad building, headquarters of the navy, according to an official communique.

The junta also evaluated the "risks and responsibilities" posed by the march which the multiparty group has called for this afternoon.

Herewith is text of the junta's official communique:

The members of the military junta, Lt Gen Cristino Nicolaidis, Adm Ruben Franco and Lt Gen Augusto Jorge Hughes, met at the Libertad building, headquarters of the navy, at 0900 today.

In the course of this meeting the military junta assessed the current status of the salaries and future economic and financial prospects along with the latest developments related to the refinancing of the foreign debt.

The junta also evaluated the status of the bodies of Argentine citizens who died in the course of military actions in the South Atlantic, and which remain on the Malvinas Islands. It has been decided to request through the International Red Cross compliance with the Geneva convention provisions in this regard. In the meantime, the possibility of directly contacting the relatives of those deceased to follow their wishes will be studied.

The junta has also decided that the joint chiefs of staff seek to merge the actions which have been undertaken by each branch of the armed forces and veterans organizations in aid of those who were involved in the South Atlantic conflict.

The risks and responsibilities of the march which the multiparty group has called for this afternoon were also evaluated.

The junta discussed subjects related to national and international politics and the meeting ended at 1240.

ECONOMY MINISTER DISCUSSES ECONOMIC SITUATION

Financial Obligations

PY160101 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2300 GMT 14 Dec 82

[Excerpts] Buenos Aires, 14 Dec (NA)--Economy Minister Jorge Wehbe announced this afternoon that "commercial and foreign debt obligations will be up to date by 31 January 1983."

Wehbe, who termed "fanciful" the reports about an alleged disagreement with Labor Minister Hector Villaveiran over salaries, reiterated that the readjustments he recently announced will apply only to the public sector, since the private sector "should negotiate on the basis of mutual agreement between the parties involved."

The minister also said that, in his opinion, future salary readjustments could be agreed upon without resorting to joint committees.

He also announced that the payment of an end of year bonus, equivalent to 1 month's salary, to public servants was under study.

Wehbe declined to comment on reports that he may resign. Wehbe talked to reporters accredited to Government House after holding a meeting, which lasted nearly 1 hour, with President Reynaldo Bignone. "During the meeting," Wehbe said, "the 1983 budget, the situation of the public sector and of state-run enterprises and other routine issues were discussed."

Concerning the alleged disagreement with Labor Minister Hector Villaveiran over salary matters, he said that "there is no disagreement, we have talked over the matter and we will continue to talk about it whenever necessary."

Regarding private sector salaries, the minister said that "no difference of opinion has yet arisen with Minister Villaveiran," but, he went on, "I do not know what will happen in the future. There are no differences for the time being."

Wehbe declined to either deny or comment on reports that he may resign. He replied, smiling: "I don't have to deny them."

He explained that the recent resignation of Economy Ministry officials was due to "formal" reasons, and gave assurances that such resignations were not linked to the ministry's far-reaching policy because, he said, "I have designed that policy and the matter was closed with the appointment of the development bank president."

He announced that "commercial and foreign debt obligations will be up to date by 31 January 1983."

Concerning the refinancing of the foreign debt, Wehbe said that "the matter is being satisfactorily dealt with and there will be concrete news before the end of the year." "I would prefer for you to learn about the matter from reports coming from abroad," he said and declined to give further details.

Other Issues

PY150134 Buenos Aires TELAM in Spanish 0137 GMT 14 Dec 82

[Excerpts] Buenos Aires, 13 Dec (TELAM)--Economic Minister Jorge Wehbe said tonight that the government will readjust salaries by a still unknown percentage in the months of February and April of 1983.

Minister Wehbe added that while the February readjustment will be a relief, the second one will be larger.

The minister, who made remarks during a special program broadcast over Channel 7, ATC [Argentina Televisora Color] tonight, also confirmed that the amendment of the tax system is under study.

Wehbe started by noting that, at this moment, the only possible way to struggle against inflation "is to encourage and increase production, which means to increase supply."

He then remarked that inflation rates could continue to drop as they did in October and November. He also made reference to the 15 percent devaluation implemented in November.

According to the minister, the above devaluation has had no influence on prices since, he maintained, November's consumer price index was lower than that of October.

During the course of the program, Wehbe referred to the tax system the government is studying and anticipated that some changes will be made in the current system.

In this regard, the minister said: We do not want to execute far-reaching changes, because it will be the future constitutional government which will adopt--if deemed necessary and with congress' approval--such changes.

Wehbe also reported that changes will be aimed at encouraging investment mainly in the construction sector.

In response to a question, Wehbe said that production promotion plans are already under way in some areas; he cited some plans currently under study, such as those for the Patagon zone, Salta, Jujuy and the Cuyo area. He explained that different, possible far-reaching solutions are being studied, such as an outlet to the Pacific, so that these areas will not have to depend exclusively on the River Plate.

He then remarked that, historically speaking, the agricultural sector is going through one of its best periods, with large, high-yielding grain crops and top meat prices in U.S. dollars.

He said that even though those products are not being sold abroad as easily as they used to be, "the country can find buyers for its entire production." He explained though, that the infrastructure and storage and transportation facilities should be improved anyway.

Concerning Argentina's foreign debt, a matter which he did not elaborate on, he maintained that "it has been practically solved despite all ill-fated forecasts." He added: Even though the country seemed to be on the verge of chaos, we have been able to cope with the crisis efficiently, so that the next constitutional government will encounter a perfectly manageable situation.

Further on, he recalled that the importation of products which may harm local industry has been banned and, in response to a question, added that there is an important barrier to such imports, namely, the exchange rate.

Minister Wehbe stated that the solidarity Argentina has received lately has not been the response to our current situation in particular since, he noted, the EEC had already interposed obstacles in its relations with Argentina in the past.

Therefore, he concluded, "we had to find new possibilities" mainly in Latin America and in nonaligned countries.

CSO: 3348/144

'STRANGE POSITIONS' OF 'MILITARY DICTATORSHIP' VIEWED

PY182150 Buenos Aires CONVICCION in Spanish 15 Dec 82 pp 8-9

[Editorial: "The Problem Rests With Those Who Play With Firearms"]

[Text] It is commonly stated and assumed that Argentina is a contradictory, paradoxical country to the point of being usually incomprehensible. Although no one can deny that our country is peculiar, the truth is that most of the paradoxes that overshadow its reality--sometimes tastefully--are only a product of ideological distortions or gross prejudices.

Let us consider a useful, instructive example of these prejudices: we are ruled by a "military dictatorship" which represses and is an enemy of popular sectors, especially those of "progressive" or "leftist" leanings.

Basic trademarks of this obsessive regime is censorship and repression. Very little can be rescued after the regime's resounding boots have ruthlessly crushed every form of culture, dissent and creativeness.

This is, in a brief summary, a widespread view of the Argentine reality. We have to acknowledge it because it is laid out in clear, simple terms. Furthermore, we have to be realistic because nowhere in the world has a military government been able to retain its initial popularity and over the years prevent it from turning into criticism and even rejection.

In any case the facts are at hand and we should reflect on facts, not on prejudices. The following is a fact: The Argentine Communist Party has presented a list of 10,000 membership registration cards to an electoral court in the capital and plans to present a similar batch soon in order to obtain legal recognition nationwide, which it will get if it is recognized in five districts. It might succeed.

This means that at least 10,000 persons in the capital publicly declared their residence, gave the names of their parents, their identification document numbers and their trade or profession. They have done all this to join the Communist Party, an institution which can be criticized but which cannot be mistaken for the Rotary or the Lion's Club.

Common sense and especially good faith force us to ask the following question: A ferocious war was waged not long ago between military institutions, on the one hand, and the most effective and powerful terrorist organizations which ever existed in Latin America, on the other. This war ended with a clear, conclusive victory for the military. What kind of "military dictatorship" is this then that after such a tragedy, leading "leftist" organizations such as the Communist Party, the popular leftist front and several others are seeking and obtaining political recognition, that is, a public, express recognition from the government led by those same armed forces?

Let us concede at least that this "military dictatorship" adopts strange positions. On the one hand, as it has already proved, it seems determined to face and destroy with arms those who rise in arms to destroy it; on the other hand, it has no problem at all to have other "leftist" factions, which are not playing with firearms, to act and to express themselves normally.

But this requires too much thinking. The most practical thing is perhaps to continue to have prejudices.

CSO: 3348/145

BRIEFS

FLOOD DAMAGE--DYN--The worst flooding in northwestern Argentina in recent years took the number of homeless in Formosa to 35,000 yesterday while the Parana's rising waters threatened to make the situation in the province of Santa Fe even worse. The waters of the Parana rose and fell several times yesterday, especially in Misiones, because of adjustments being made in Brazil on the level of the Itaipu Dam waters. The rising River Paraguay, unable to flow into the Parana, poured over onto low Formosa shores. Out of the 35,000 people who had to leave their homes there, 18,000 have been in shelters since before the current floods started, as a result of earlier flooding since mid-year. In Resistencia and Puerto Vilela, in Chaco, people were returning to their homes as the situation improved slightly. Coast guard personnel yesterday afternoon set to the task of cleaning the customs house at Puerto Iguazu, left dry after having been under water for several days. In Formosa, Governor Rodolfo Rhinner said neighbourhoods under water there would need two to three months to go back to normal even if the flood waters started dropping immediately. [Text] [PY201652 Buenos Aires BUENOS AIRES HERALD in English 20 Dec 82 p 9]

KIDNAPPING REPORTED--The owner of a mechanical workshop was kidnapped yesterday by three men claiming to be members of the federal police, his brother said. Horacio Daniel Collado, 32, was taken away by three plainclothes men travelling in a yellow Ford Falcon, said his brother, Armando Collado. He added that the men said they were looking for a man whose face had appeared in one of the photographs taken during Thursday's riots in Plaza de Mayo. Armando said his brother had not taken part in the civilian demonstration against the military government. The federal police press office said it had no information concerning the kidnapping but would look into the matter. [Text] [PY192023 Buenos Aires BUENOS AIRES HERALD in English 18 Dec 82 p 9]

FEDERAL POLICE CONGRATULATED--Buenos Aires, 17 (TELAM)--President Reynaldo Bignone today summoned Gen Juan Bautista Sadiain, the chief of the federal police, to congratulate him for the performance of the police and its efforts to prevent further outrages and assaults during yesterday's events. The journalists received this information at Government House from Interior Ministry press adviser Guillermo Olivera, who said that General Sasiain has not offered to resign and no one has asked him to do so. Olivera emphasized that the federal police chief has the complete support of the Interior Ministry. Olivera answered a question by saying that, at least for the time being, the Interior Ministry will not issue any communique concerning the events that took place yesterday afternoon in downtown Buenos Aires. [Text] [PY171503 Buenos Aires TELAM in Spanish 1357 GMT 17 Dec 82]

POLICE REPRESSION REPUDIATED--Buenos Aires, 16 Dec (TELAM)--Saul Ubaldini, secretary general of the General Labor Confederation branch with headquarters on Brasil Street, has repudiated the acts of violence that took place in the Plaza de Mayo this afternoon. The labor leader said that the large majority of the forces of the people have clearly pronounced themselves for peace and democracy and that the march was followed by "an excessive and indiscriminate police repression which lashed out at those who had nothing to do with the disorders." [Text] [PY171426 Buenos Aires TELAM in Spanish 0135 GMT 17 Dec 82]

SILLO CONSTRUCTION LOAN--During an interview on the television program Dinamica Rural, Economy Minister Jorge Wehbe voiced his concern over the failure to make use of a loan that the World Bank granted in November 1978 for the construction of silos. The minister pointed out that "since I got back from Toronto I have been trying in every way to have this loan made use of promptly. It is one of my main concerns." He also announced that his ministry would investigate the reason for delays in the approval of a measure that would exempt balanced foodstuffs from the value-added tax (VAT) in a bid to revive Argentine poultry production. When Wehbe was asked about this and told that this failure to act was in sharp contrast to Brazil's strategy for poultry raising, which has made it a world leader in this area, he replied that "my ministry brought up this issue more than a month and a half ago, so I'll find out what happened with this measure that has been delayed so long." In conclusion, he confirmed that a tax reform is under study "that will address the distortions caused by the current structure of the VAT." When asked about the taxes on fertilizers and agricultural chemicals in general, he said that they would "unquestionably have to be reviewed," because growers are finding it hard to afford them. [Text] [Buenos Aires CLARIN in Spanish 29 Nov 82 p 10] 8743

CSO: 3348/138

BRIEFS

SOUTH KOREAN AMBASSADOR--Bridgetown, Barbados, Dec 15 (CANA)--South Korea's ambassador to Barbados, Dr Sang-chin Choe, says he would like to see Barbados export more rum and sugar to his country. Dr Choe told CANA that the volume of rum and sugar exports from Barbados and other Caribbean countries has been small, saying this could be because of problems with transportation. The ambassador was leaving here today for St Vincent and the Grenadines at the end of a three-day official visit during which he presented his credentials to governor-general Sir Deighton Ward and held discussions with senior government officials on cooperation between the two countries. He said the fishing industry, education, tourism and development, provided opportunities for cooperation between South Korea and Barbados. He said that his government was also willing to provide training for persons in agriculture, fishing, trade promotion, and textiles. "Cooperation between developing countries is critical in terms of the sharing of experience in overcoming difficult periods," he said. [Irvine Reid] [Text] [FL151650 Bridgetown CANA in English 1610 GMT 15 Dec 82]

CSO: 3298/1177

WEEKLY LAMENTS GOVERNMENT'S LOSS OF CREDIBILITY

Santiago QUE PASA in Spanish 2 Dec 82 p 5

[Text] Almost all of it began, as is well known, when the principal authorities of the country stated that the exchange rate of 39 pesos to the dollar would not be changed under any circumstances.

That statement implied a lack of understanding of the nature and influence of certain economic phenomena. Many countries--some of them much more powerful than our own--have proven that it is sometimes impossible to stop speculation against their own currency in favor of foreign currencies.

In Chile it was demonstrated that not even the strongest determination and will on the part of two powerful and principled men such as the president of the republic and his former finance minister, Don Sergio de Castro, could prevent the devaluation or, similarly, postpone that commitment for a better time.

But these are economic technicalities.

The general public cannot appreciate them in detail, and in the events that unfolded after that episode, the nation merely found reason to lose a good part of the credibility and confidence that it had had in the economic system and in the authorities that were managing it at that time.

To regain that lost confidence now requires two conditions. First of all, there must be a coherent relation between goals and results, between words and deeds, between promises and accomplishments. Furthermore, time must pass, because only consistent behavior can bring back that lost credibility.

Why has this not happened? Why is Chile roiled by mistrust, risk and uncertainty?

The general public would have been able to understand if the government had simply made a mistake in the exchange episode. But now, nearly 6 months later, things should have calmed down.

Why has this not happened?

We think that much of the explanation can still be found in the conduct of the economic authorities themselves.

Thus, in recent weeks (beyond that period when the Official Gazette appeared to be an errata sheet more than anything else), while the Finance Ministry was announcing its intention of restoring the liquidity that the economy had lost in the past 12 months, the Central Bank was announcing, almost at the same time, a monetary policy that in addition to being extremely restrictive, openly contradicted the Ministry's objective.

Within a few days, when Minister Luders presented his fiscal and employment policies, public opinion noted that, making use of a veritable "fiscal mobilization," an attempt would be made to cut the unemployment rate from 25 percent to 15 percent in 9 short months. That did not stop the budget director of the same Ministry from stating in the same context--at a business gathering organized by the Chilean Institute for Efficient Administration of Industries (ICARE)--that real fiscal spending would drop by 6 percent over the coming year, compared to the present rate.

The list of contradictions is, unfortunately, a long one. Finally, we would simply like to express our surprise at the announcement of the reasons for advocating a definitive classification of viable and non-viable businesses. Important government officials have pointed out that one of the primary objectives of such a policy is to lower interest rates, while in that same sector, publicly or privately, orally or in writing, it has been asserted insistently that the only way to prevent greater balance of payments problems is to maintain a strict monetary policy and a high interest rate, and that every time this has not been done, our foreign currency reserves have shrunk.

These contradictions are, of course, clearly seen by the public. On some occasions, people have expressed not only surprise at them, but also, more recently, derision, and also the feeling that the authorities do not grasp the full dimension of the crisis that is affecting the country.

Another perverse byproduct of this problem is that no one knows for certain what the government's monetary and fiscal policies are today.

The economic team should have and demonstrate unity and coherence, something that is not seen today. This can be achieved to a large extent by reducing the number of occasions when they "communicate" with the rest of the community; that function should lie in the hands of the current head of Finance.

Furthermore, we find it necessary to insist on an idea that has already been expressed in these columns: that it would be appropriate for the president of the republic to establish a homogeneous ministerial cabinet of the highest quality, so that along with Minister Luders, its members can convey to the rest of the citizenry a confidence that, although lost temporarily, is recoverable, if quick action is taken.

8926

CSO: 3348/141

CENTRAL BANK LIMITS BUYING OF DOLLARS

Santiago EL MERCURIO in Spanish 6 Dec 82 p B 1

[Text] The Central Bank announced new measures Saturday to restrict the purchase of dollars by private individuals. These measures are undoubtedly a reaction to the growing demand for the U.S. currency that was observed in the latter half of last week.

ECONOMIA Y NEGOCIOS reported in its Saturday edition that the price of the dollar in banks and financial institutions was threatening to exceed the limits, while its value on the parallel market was over 80 pesos.

The measures, which essentially consist of a reduction in travel quotas and the elimination of the freely available amount of US \$1,000, are aimed at curbing the so-called "purchase of dollars through the teller window," which react the fastest to rumors and situations of economic uncertainty. In this manner, the authorities hope to diminish the rate of decline that has been observed in international reserves for several months. This situation, in turn, conspires against the possibility of increasing the quantity of money.

So far, the efforts of the Central Bank to inject greater liquidity have been nullified, because banks as well as private individuals have acquired dollars, returning to the Central Bank the pesos that were put on the market.

Between 31 December of last year and 18 November, the date of the latest available figures, a total of \$1.322 billion in reserves has been lost. This declining trend in the foreign currency holdings of the Central Bank does not appear to have abated in recent months.

At the same time, in the past 3 months the issuance of new currency has fallen by some 23 percent, according to official figures dating from 15 November, while the money supply in the hands of the private sector dropped by 4.2 percent, just in nominal terms.

Effects of Restrictions

The measures revealed on Saturday will reduce the purchase of foreign currencies by individuals, because they will have no alternative but to resort to

the parallel market if they want to acquire dollars. For this reason, the price on that market will probably rise, increasing the difference between that price and the value of the dollar in banks and financial institutions.

In any case, the restrictions make it more difficult for those who have savings deposits in national currency in the banking system to withdraw them in order to convert their funds from pesos to dollars. This will force savers to keep their money in bank deposits and financial instruments, or to use it to purchase goods whose prices are going up with inflation.

The measures should be effective in preventing the purchase of dollars by individuals. But it should be pointed out that the bulk of the loss of reserves, as the economic authorities themselves have acknowledged, does not appear to be attributable to purchases of foreign currencies at the teller window. Official explanations indicate that economic agents are reducing their short-term indebtedness in dollars, paying off those foreign loans without renewing them when they fall due. Statistics appear to confirm this explanation, because they show a major decline in the financial system's short-term indebtedness abroad. In that regard, it is important to know what percentage of the loss of reserves corresponds to purchases at the teller window and what percentage is due to the aforementioned phenomenon, because the success of the measures adopted depends significantly on this situation.

Exchange Insurance

It is also apparent that it is increasingly necessary for the Central Bank to implement an exchange insurance mechanism to introduce a calming factor among economic agents with commitments in dollars, also helping to discourage the early liquidation of those debts. At a recent meeting, Central Bank President Carlos Caceres indicated that the bank is studying this matter.

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CSO: 3348/141

BERNSTEIN OPTIMISTIC ON BEAGLE DISPUTE OUTCOME

Santiago EL MERCURIO in Spanish 7 Dec 82 p C 1

[Text] The former permanent ambassador to the mediation talks, Enrique Bernstein, said yesterday that maintaining peace and preserving territory are not mutually exclusive elements in the solution of the southern land dispute, because that is happening in Chile's case.

He reiterated his utter faith that the two countries will reach a definitive solution, hopefully in 1983, and noted that as long as the mediation is in the hands of His Holiness, its future is assured.

Bernstein met yesterday afternoon with the president of the republic at La Moneda in order to take his leave and thank the president for the confidence he placed in Bernstein while the latter headed the negotiations in Rome. "Naturally," he said, "we talked quite a bit about the mediation process. The president has followed it very closely, and I thanked him for the constant support I received from the government during the 3½ years that it was my privilege to carry out that difficult but interesting mission."

When asked about his statements to the effect that peace has been won without any loss of territory, the former ambassador explained that the statements are not contradictory: "Undoubtedly, peace has been won," he stressed, "and I think that it is a very important thing, since we were about to lose it a few years ago. We are not going to lose any territory, because it is very possible to maintain both territory and peace. Furthermore, the territory is in our possession, and the peace has been kept."

"Make an Effort"

As to whether the former diplomat expected a solution in the next year, he responded: "I have promised myself one thing, and that is that I would not set dates, because--and here I will say it in Latin: "errare humanum est"--if I had done that I would have committed many errors. I thought it would be a faster process. I was wrong, and that is why I don't dare give you an answer. But God willing, we must make an effort to bring it about."

"As long as the mediation is in the hands of the Pope, and it will remain that way, I view it with much tranquility. He understands the problem perfectly, and wants to achieve a solution as soon as possible. That is also what

Chile desires, in any case, and I hope Argentina does, too. Now perhaps a short recess will be called for the Christmas holidays, but afterwards, little by little, the conversations will resume."

To confirm that, he noted that after the Pope urged them to speed up the process last April, the two delegations responded to the exhortation and accelerated the talks.

Political Will

Asked if political will was the only thing lacking to find a solution to the conflict, Bernstein indicated: "I think that there must be political will, because why should we keep alive a conflict between two countries that are complementary, that will continue to live together, and furthermore, that agreed to resolve the dispute? From the moment they agreed to do that, it has been inevitable that they will resolve it. I do not believe there is a lack of political will," he emphasized, "but rather, I think the circumstances are sometimes not all we would wish."

He also stated that in his opinion the new Argentine authorities are in the same predicament as Chile in reaching a happy ending. "I have no reason to think otherwise," he stressed.

Former Foreign Minister

Regarding the statements by former Argentine Foreign Minister Oscar Camilion to the effect that Argentina should agree to the Pope's proposal because it is the most viable, he responded that "I was very glad to hear them, but I would have been even more glad if he had said that then (when he was still foreign minister). At any rate, I am glad because he is a very intelligent and influential man."

Advice

Finally, Bernstein confirmed that he will continue to advise President Pinochet on all matters related to the mediation. "As long as it is felt that I can be of use to the country, I will continue to help."

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CSO: 3348/141

ENDESA LOWERS RATES FOR INDUSTRIAL CUSTOMERS

Santiago EL MERCURIO in Spanish 6 Dec 82 p C 1

[Excerpt] The country's principal firms may benefit from major reductions in the cost of electricity for additional consumption during the summer, as a result of the runoff.

This was reported by Mario Zenteno, operations manager of National Electric Power, Inc. (ENDESA). He explained that the power company is offering reductions of up to 40 percent for those industrial customers that can reschedule their electrical consumption during the summer months.

He specified that so far major consumers such as the Copper Corporation (CO-DELCO), all the establishments of the Pacific Steel Company (CAP), Forestry Industries, Inc. (INFORSA), Diamond Shamrock Petrochemicals, the National Coal Enterprise (ENACAR), and the Petrox Refinery of the National Petroleum Enterprise (ENAP), located in Concepcion, have accepted this offer, which is effective for December 1982 and January and February 1983.

He indicated that the ENDESA initiative stems from the fact that 1982 was an exceptionally wet year, and there are important hydric resources in mountain reservoirs as well as large amounts of snow on the high peaks. This provides a large water reserve that is potentially convertible into energy.

"In hydrological terms, 1982 can be called 'one in 30 years.' That means," explained Mario Zenteno, "that over a period of 100 years, 3 or 4 years have these levels of humidity."

"This situation is clearly manifested in the months of the thaw, when the snow melts and eventually power plants have more water than they can send through their turbines to sell, given summer consumption levels. But we can offer that surplus to a certain category of consumers that have the capacity to reschedule their consumption."

The executive stated that this is difficult to predict, however, because no one knows in advance how fast the thaw will take place; it depends on prevailing temperatures. "The snow may melt relatively evenly during the 3 months of the discount, but there could also be temperatures around 40 degrees throughout December, and that would accelerate the runoff. But that risk will be absorbed by ENDESA so that it can offer something concrete to the productive sector," he said.

JAPAN GRANTS CREDIT FOR POWERLINE CONSTRUCTION

Santiago EL MERCURIO in Spanish 7 Dec 82 p C 1

[Text] A loan for \$190 million for the construction of a 500,000-volt line between the Colbun-Machicura hydroelectric complex and Santiago was signed yesterday by National Electric Power, Inc. (ENDESA) with a Japanese firm and banks of that nation.

The complex, which is now being built on the Maule River between Linares and Talca, will begin operations in May 1985 with a capacity of 490,000 kilowatts. It will be able to meet the greater demand for electrical energy that will be generated in this country between that date and 1989.

ENDESA General Manager Hiram Pena Hernandez stated that "if these plants are not built, the country would probably have to burn coal and oil to meet the higher demand until 1986 or 1987, but after that time it would more likely have to resort to rationing, a device that has not been used in Chile in the last 25 years, thanks to an efficient programming of consumption."

He explained that the principal objective of the line is to transmit the major blocks of energy to be generated by Colbun-Machicura, approximately 3 million kilowatts per hour. ENDESA's total generation at that time will be about 7 million kilowatts. He added that the electricity will benefit 95 percent of the country's population, all along the Interconnected System from Salvador in the north to the large island of Chiloé.

The line will be made up of two circuits of 500,000 volts--the first of that capacity to be built in this country--that will run between the Colbun Substation, included in the contract signed yesterday, and Alto Jahuel, which will be expanded to handle the greater capacity required.

Construction will be carried out by the Japanese firm Marubeni, which was awarded the contract in the international bidding called by ENDESA for that purpose. It will do the work in conjunction with the Chilean firm Sigdo Koppers, which will act as subcontractor.

It was reported that work will begin immediately, and will last 2 years and 4 months. During that time, the labor force will gradually be increased until it reaches about 1,000 workers.

Construction of the line and the substations will be financed totally by a credit from Eximbank of Japan, granted to Marubeni and transferred from that firm to ENDESA, and by a direct loan to be granted to the national electricity enterprise by a consortium of Japanese banks headed by the Bank of Tokyo. Both transactions are long-term, with conditions that are very favorable to this country.

The ceremony for the signing of the credit agreement was attended by the Japanese ambassador to Santiago, Genichi Akatani; the president of the ENDESA board of directors and its general manager, Hernan Buchi and Hiram Pena, respectively; and Marubeni's manager in Santiago, Kentaro Moriya.

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GSO: 3348/141

COMMUNIST DEPUTY SAYS NICARAGUA ATTACKED

Ferreto Statement

San Jose LA REPUBLICA in Spanish 16 Dec 82 p 2

[Text] The deputy from the Popular Vanguard party, Arnolando Ferreto Segura, reiterated to LA REPUBLICA that he has evidence that the attack on the settlement of Cardenas, in Nicaragua, on 1 December, originated in Costa Rican territory, and claimed that this evidence, and "100 more pieces thereof," are in the hands of, and are known to the president of the republic, the cabinet and the minister of security.

Deputy Ferreto Segura stated that he "would not turn over the evidence, nor reveal the sources of information that he has, either to LA REPUBLICA, which requested them, nor to the government, if it should request them, for obvious reasons."

Ferreto said that, just as in the case of the attack on Cardenas, the government has information, because it has eyewitnesses, including customs agents, to the effect that a freightcar which disappeared at the beginning of the week was not carrying "apples," as had been claimed, but rather machine guns for Eden Pastora.

The communist representative commented in a telegram sent to the ministers of government and public security, namely, Alfonso Carro Zuniga and Angel Edmundo Solano: "We managed to confirm the fact that the small plane which flew over the little town of Cardenas during the attack committed against it took off from Playa Blanca, in the jurisdiction of Hacienda el Murcielago, on Costa Rican territory."

Ferreto Segura informed LA REPUBLICA that, "The government knows that there, and on a nearby farm, there is not one small plane, but two, plus a camouflaged helicopter," possibly to be used in other attacks.

In his telegram to the ministers, Ferreto remarked: "The group of counterrevolutionaries which attacked this town (Cardenas) crossed the border from a site known as Chapernon, and from Pena Lonja, on Costa Rican territory, a few kilometers from the border."

The deputy also claimed: "It is known that there were wounded individuals who were concealed in our territory"; giving assurance that, "Further acts of aggression are being planned in camps located on various farms on the border, one belonging to Hector Garcia, and another in Monte Plata, owned by a widow with the surname Medina, as well as on the farms of Rigoberto Gallegos and Ramiro Osegueda."

Statement Denied

San Jose LA REPUBLICA in Spanish 17 Dec 82 p 12

[Text] Yesterday, the deputy from Popular Vanguard, Arnaldo Ferreto, submitted a bulletin to the press containing the following statement: "In the attack upon Cardenas (1 December), the counterrevolutionaries sustained four deaths; the La Cruz Red Cross took an undetermined number of wounded to San Jose.

"The counterrevolutionaries departed from Cerro Coperun and Cerro Bruja to carry out the attack; after the attack, they hid on the La Palmera farm, located in Las Brisas, the San Fernando farm, in La Libertad, and Ramiro Osgueda's farm, situated in San Dimas. In the latter location, a large amount of weapons was concealed in a storage place.

"There is a small group of counterrevolutionaries on the widow Medina's farm, near the border, on a site known as Monte Plata, between Conventillos and Las Vueltas.

"On the day of the attack, a small plane took off for the border from the Santa Elena Development Company, on Playa Blanca, in Bahia Santa Elena, owned by an American, whose administrator is the first commander of the Northern Command with the surname Rivera. It is presumed to be the one which set off the flares on the site of the attack. There are currently five small planes on that farm." The foregoing is the communique from Deputy Ferreto.

LA REPUBLICA contacted Mr Alejandro Martinez Mejia, head of the La Cruz Red Cross Committee, who claimed that the Red Cross units of that locality did not transport any wounded persons on that day (1 December).

Mr Martinez said: "It is rumored on the streets that there were wounded persons last week, but no one has seen them."

LA REPUBLICA talked by telephone with Capt Navarro Vargas, second commander of the Northern Command in La Cruz, who was serving as guard commander on the day of the incidents in Cardenas, and who told this newspaper that the report was completely false.

On the day of the incidents, upon hearing intense shooting on the other side of the border, near Cardenas, he ordered a reinforcement of the detachment that he has, on a permanent basis, in La Libertad, with 20 men, and with orders to capture anyone who approached the border.

No one even came near the border, nor did they see the airplane which, it was claimed, had set off flares over the village.

2909

CSO: 3248/381

RELATIONS WITH NICARAGUA SAID TO BE 'TENSE'

Volio Statement

San Jose LA NACION in Spanish 15 Dec 82 Sec A p 4

[Text] Yesterday, at the conclusion of a meeting with the Nicaraguan ambassador to our country, Rogelio Ramirez Mercado, the minister of foreign relations, Fernando Volio, remarked that the relations with that nation are "seriously tense."

The official cited an article published recently in the national press, in which the General Secretariat of the Nicaraguan Junta of National Reconstruction made statements which, in Volio's opinion, were untruthful, "causing astonishment and indignation, owing to the detrimental notions and spurious charges that they contain."

The foreign minister also sent the ambassador a note in which he included detailed reports from the ministers of security and government, Angel Edmundo Solano and Dr Alfonso Carro, respectively, guaranteeing Costa Rica's neutrality.

Ramirez, for his part, said that the message sent by his country's government is a response to statements made recently by the president of the republic, Luis Alberto Monge, in which he accused Nicaragua of interfering in Costa Rica's internal affairs.

Truth

"Nothing in the document from the Nicaraguan Government is based on truth," claimed Volio in the note sent to his colleague, Miguel D'Escoto, and given to Ramirez. He added: "It is all founded upon a clearcut intention of discrediting a truly democratic political system."

He also remarked that the purpose of the text of the aforementioned document is to evade Nicaragua's responsibility for extremely serious actions committed to the detriment of national peace and security, as well as of our country's republican institutions, arduously created by citizens who love freedom, democracy and international brotherhood.

In the other document given to Ramirez by Volio, the official declared Costa Rica's neutrality, and rejected the charges made by Nicaragua to the effect that attacks against the Sandinista government are being permitted here.

In commenting on the attack against Cardenas which, according to the authorities of the neighboring country, was launched from Costa Rica, Volio said that the reports from our authorities on the Nicaraguan border prove that "the attack on the village of Cardenas mentioned in the note could not have been, and was not perpetrated from Costa Rican territory."

He added: "Nor are there any grounds for the charge that counterrevolutionaries, after having made the attack in question, hid in Costa Rican territory without any serious problem."

Volio subsequently stated that Costa Rica has given repeated signs of respect for the rules of public international law in effect, declaring the same thing on this occasion, by giving a reminder that there is respect for the principle of nonintervention in the internal affairs of other states and for the right of peoples to their free self-determination.

Volio also recalled the Costa Rican Government's proclamation of neutrality in military conflicts that may occur in the region. "Consequently, the enlightened government of Nicaragua has no grounds for bringing the conduct of the government of Costa Rica into question with respect to bilateral relations, much less for making the serious charge of aggression against it, which I again repudiate most strenuously, because it is not based upon truth."

Communique

The communique mentioned persistently by Volio yesterday was published last Sunday in paid ads appearing in various national news media.

In the document, the Nicaraguan authorities cite statements made by President Monge on 8 December. The Nicaraguan Government noted that the president "made assertions which attest to the extreme degree of subjection to the American administration that this government has reached."

The Sandinistas also accused Monge of giving arguments to Reagan, "however false they may be," that would "allow them to justify their criminal intentions against the sovereignty and self-determination of the Nicaraguan people."

Moreover, they claimed that the present administration is promoting and cooperating in the aggressive plans against Nicaragua. The aforementioned communique observed: "Against those gratuitous assertions, Nicaragua does, indeed, have more than sufficient evidence proving at least the use of Costa Rican territory for the organization and execution of criminal actions aimed at destabilizing our revolutionary government."

As for the Sandinista rulers' accusations to the effect that the attack upon Cardenas was planned and perpetrated from Costa Rica, the national authorities emphatically denied those claims the week before.

Also, on Monday, the minister of security, Angel Edmundo Solano, said that the relations with Nicaragua "may be at their lowest point since the present administration began."

Other government officials have privately admitted that the ties with the neighboring country are in jeopardy, and some said that "we are a step away from a breakoff in relations," something that, it was claimed, the present administration does not want.

Strikes

At the end of the meeting between Volio and Ramirez, the latter was questioned about the interview. The diplomat stated that it was not true that they are interfering in Costa Rica's internal affairs. He stressed: "We are not to blame for the fact that there are strikes here, because that type of movement existed here before the Nicaraguan revolution, and we are not going to invent them."

Ramirez also remarked that they have always acted on principle, and that they respect Costa Rica's internal affairs. He added that the communique issued by Monge on the occasion of the meeting of the Socialist International (SI) was regrettable, particularly because they are fostering the easing of tensions between the two nations.

Ramirez Mercado refused to comment on the documents sent yesterday by Volio because, he said, he preferred to study them carefully. At the same time, he added that he had notified the official of an offer by the Nicaraguan foreign ministry to publish them in Managua news media, with paid ads, as a favor by the Sandinista government.

Nevertheless, Volio told Ramirez that he had issued instructions to our ambassador in Managua, Prof Jesus Manuel Fernandez, to have those documents published.

Ramirez noted that he had asked Volio, by way of reciprocity and not as a condition, to allow the airing on television of statements made recently by the Argentine, Hector Frances. The ambassador claimed that the television networks refused to broadcast those tapes, because they argued that they lacked available air time.

Ramirez also admitted that it was necessary to cool the relations between the two countries, so that there may be mutual brotherhood between the two peoples.

Protest Note Text

San Jose LA NACION in Spanish 15 Dec 82 Sec A p 16

[Text] Following is the complete text of a protest sent by the minister of foreign relations, Fernando Volio, against articles published in the national press by the Nicaraguan Government.

The communique is addressed to Miguel D'Escoto, the Nicaraguan foreign minister.

"Your Excellency:

"From reports in the Costa Rican press, and paid ads in it placed by the diplomatic mission of Nicaragua, the democratic people and government of Costa Rica have been apprised of the contents of a 'Communique from the General Secretariat of the Government Junta of National Reconstruction' of that country. The reading of this document, which originates with the authorities of a regime with which Costa Rica has

relations, has not only caused astonishment; but also has been met with indignation, owing to the detrimental notions and spurious charges that it contains, hurting the free people of Costa Rica, their legitimate president and their representative government.

"Nothing in the document is based on truth. It is all founded upon a clearcut intention of discrediting a truly democratic political system. The entire text of the communique is meant to evade Nicaragua's responsibility for extremely serious actions committed to the detriment of national peace and security, as well as of our country's republican institutions, arduously created by citizens who love freedom, democracy and international brotherhood.

"Moreover, the position of the Nicaraguan Government Junta brings into question the sincerity of its recent proposals for creating conditions that would allow both states to maintain peaceful, respectable relations, as has been the desire of the government of Costa Rica since 8 May of this year.

"Consequently, on behalf of the government, I protest the tone and contents of a communique which is insulting and contrary to the truth, demanding satisfaction which, owing to the nature and seriousness of the charges made, cannot be delayed, as an unequivocal sign that Your Excellency's government wishes to maintain, through the pertinent and proper channels, a communication that is consistent with the obligations stemming from two countries linked by diplomatic relations, and that will make it possible to solve the problems which are now a cause of serious tension."

2909

CSO: 3248/381

PERPETUAL NEUTRALITY REQUESTED FOR COUNTRY

San Jose LA NACION in Spanish 13 Dec 82 p 2A

[Text] The so-called Alajuela Charter, which was made public yesterday at the closing session of the First Human Rights Congress, calls on the international community to approve a statute of perpetual neutrality for Costa Rica because of its 1949 decision to abolish its armed forces.

In reading the text of the charter, the executive chairman of the congress organizing committee, Jose Nestor Mourelo Aguilar, said that neutrality is being requested for Costa Rica because it was the only country that unilaterally opted for peace by deciding 33 years ago to abolish its armed forces as a permanent institution.

The charter sets forth the main ideas of the participants at the congress, which was held in Alajuela from 6 to 12 December.

The closing ceremony was held in the Juan Santamaria Historical Museum, with Public Education Minister Eugenio Rodriguez, representing President Monge, officiating. It was attended by 72 institutions representing about 47 countries.

The Alajuela Charter also asks that Costa Rica be turned into a world center for the study, investigation, defense and publicizing of human rights, because according to its whereas clauses the participants were able to discuss the issue in a framework of peace and freedom.

In addition, in asking the United Nations to set up its own world radio and television information service on human rights, the document suggests that at least the Latin American service be started in Costa Rica.

The charter also urged the country to intensify its efforts at the UN to create a high commissioner for human rights.

Other Resolutions

The charter also mentions the creation of an international criminal court of human rights and advocates the establishment of governments that provide for civil liberties, social security, economic guarantees, ideological pluralism and political change through free, clean elections.

It also talks of battling political regimes based on ideas and practices of racial, religious, political, linguistic and economic discrimination against national minorities.

It refers to the military, despotic and dictatorial regimes that do not respect human rights and calls for the creation of an international commission to investigate them.

The Alajuela Charter speaks out against the industries that produce weapons, nuclear, bacteriological and chemical weapons in particular, regarding them as a threat to all forms of life. It also states that the death penalty should be abolished throughout the world and calls on the UN to approve an international convention to combat physical and mental torture as an interrogation practice.

It also mentions the need to hold a second human rights congress.

A number of committees also presented separate resolutions at the closing session, one of which referred to safeguarding the rights of Palestinians. This triggered a strong reaction from a Jewish participant, who was against the proposal and called it "propaganda." Also mentioned was a message sent to the Guatemalan Government calling on it to cease its violations of human rights and to end martial law.

In conclusion, the secretary general of the congress, Roberto de la Ossa Thompon, said that all these documents would be included in the report of the meeting.

8743

CSO: 3248/380

WIFE SAYS FRANCES KIDNAPED BY NICARAGUANS

San Jose LA NACION in Spanish 8 Dec 82 p 10A

[Text] Clara Susan Lipzys, the wife of Argentine citizen Hector Frances, who was allegedly kidnaped last 6 October in Los Yoses, asserted yesterday that high-level officials of the Nicaraguan Government were responsible for her husband's disappearance.

She claimed that the kidnaping was ordered by the head of Nicaragua's internal security, Lenin Cerna, and by another individual surnamed Oveda. She also said that "I am completely certain that my husband is in Nicaragua."

With regard to Lipzys's charges, the press attache at the Nicaraguan Embassy, Mr Manuel Espinoza, said that only the ambassador, who left for Nicaragua last Sunday, could issue statements on the matter.

Mrs Lipzys has asked Costa Rican Government officials to intercede with Nicaragua to have her husband released.

Lipzys left the country on 20 November bound for Buenos Aires.

She was reportedly led to believe that her life and that of her daughter, Maria Fernanda, were in danger in our country.

On 2 December Frances disclosed details of the purported activities of groups that are battling the Nicaraguan Government and that have alleged links with local organizations.

The assertions were made on a video cassette recording that was delivered anonymously to this newspaper.

According to the tape, the groups here that are fighting against the Nicaraguan Government have ties with the U.S. Central Intelligence Agency.

Frances hints in his statements that his kidnaping was feigned so that he could later collaborate with organizations that support the current Nicaraguan process.

In commenting on some of the Argentine's statements, President Luis Alberto Monge asserted that they were part of the campaign to discredit Costa Rica.

Sheer Logic

In commenting on her husband's statements, Mrs Lipzys explained that based on "sheer logic" she feels that he is being subjected to various psychological pressures, through which the Nicaraguans are getting what they want.

She also stated that they kidnaped Hector Frances to use him to Nicaragua's advantage.

"The Nicaraguans' persecution complex about an invasion being readied against them causes them to resort to various acts," she stressed.

She asserted that her husband has never been involved with any spy organization.

"I have received two threatening calls, the last one telling me to pick up my husband's will in a certain place," Mrs Lipzys said in conclusion.

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BRIEFS

LABOR MINISTER ON UNEMPLOYMENT--Open unemployment increased to 9.6 percent of the country's work force, which means close to 80,000 people without jobs, according to as yet unprocessed data from the survey of households conducted in November. The information was furnished by Labor Minister Guillermo Sandoval Aguilar, who proposed changes in this instrument for measuring employment, unemployment and underemployment. The minister said that the survey is scientific enough but inadequate in gauging the variables that would give a better idea of the problem; he then proposed introducing other variables. In line with these changes, the Inter-American Institute of Statistics and the Inter-American Development Bank will implement a pilot plan "to test the research procedures that will be adopted in Costa Rica," Sandoval said. The survey is conducted in March, July and November by officials in the Planning Office of the Labor Ministry and in the General Office of Statistics and Census of the Economy, Industry and Commerce Ministry and is the only source of information on employment indices. The International Labor Organization and the members of the Spanish Mission will also cooperate in testing the new variables that might be introduced, the minister indicated. [Text] [San Jose LA REPUBLICA in Spanish 12 Dec 82 p 3] 8743

TAIWAN TO BUY COFFEE--The first vice president of Costa Rica, Alberto Fait, yesterday evening signed agreements with the Republic of China at the conclusion of a 4-day visit to this 36,000 square kilometer country (2/3 the size of Costa Rica) of 18 million inhabitants (8 times as many as Costa Rica). The vice president told LA REPUBLICA that his short visit to this country was "very fruitful." Fait was accompanied at the signing by Deputy Foreign Minister Ekhard Peters, Deputy Tobias Murillo, Juan Bonilla (president of the Development Corporation, Inc), Dr German Vollo (executive president of the Joint Institute of Social Assistance), Dr Fernando Mora of the National Banking System, Cristina Rojas (adviser to the Agriculture Ministry) and Costa Rica's ambassador in Taiwan, Dr Rodrigo Sanchez Ruphuy. The Republic of China will be buying more coffee from Costa Rica in 1983. The country imports only about \$2 million a year worth of coffee, inasmuch as tea is the predominant drink. The country has agreed to buy from Costa Rica some 30 percent of its total coffee needs, or about \$600,000 a year. Taiwan also agreed to deposit \$3 million in the Costa Rican Central Bank over the next few days as a guarantee of payment in advance for its imports from Costa

Rica. In addition to coffee, the Republic of China imports large amounts of meat and will study a list of items to boost imports to \$3 million in the near future. Fait also signed agreements under which: 1) the Government of the Republic of China will gradually cut import tariffs on Costa Rican goods so that imports will rise; 2) the technical assistance program for soybean production will be extended for 4 more years; 3) Taiwan will send ceramics experts to Costa Rica to teach techniques; 4) Costa Rica will send banking experts over the coming months to study the Chinese system; 5) in connection with the planned ocean-to-ocean railway, the Taiwan Government will send technicians to evaluate the terrain in Costa Rica and later study the possibility of financing the railway, which would run from Moin to Cuajiniquil. [Text] [San Jose LA REPUBLICA in Spanish 15 Dec 82 p 3] 8743

DECREASE IN IMPORTS--The nation's imports from January to September of this year dropped 32 percent, according to figures disclosed by Economy Minister Marco Antonio Lopez Aguero. The minister pointed out that as a result of the general economic policy adopted in 1981, purchases overseas have continued their downward trend in 1982, totaling \$657.3 million, which is \$314.1 million less than during the same period last year. Minister Lopez noted that the available information, furnished by the Office of Statistics and Census, covers only the January to May period, when imports totaled \$366.6 million (CIF), \$183.3 million less than the preceding year. According to Lopez Aguero, this sharp drop has brought about structural changes in the country's economic activity; for example, raw materials now account for close to half of our imports, whereas in previous years they accounted for about a third. The data indicate that of the \$183.3 million drop in imports as of May, 45 percent (\$82.2 million) came in purchases of inputs for industry and agriculture, which totaled \$183.7 million, compared to \$265.9 million during the first 5 months of 1981. Nonetheless, raw materials accounted for 50 percent of total imports, compared to 48 percent in the same period in 1981 and 37 percent from January to May 1980. [Text] [San Jose LA REPUBLICA in Spanish 16 Dec 82] 8743

CSO: 3248/380

'GACETA OFICIAL' ISSUES NEW LAW ON COOPERATIVES

Havana GACETA OFICIAL in Spanish No 63, 24 Aug 83, pp 779-785

[Text] National People's Government Assembly

Flavio Bravo Pardo, president of the National People's Government Assembly of the Republic of Cuba,

Announces

That the National People's Government Assembly, in the second regular session held from 1 July to 3 July 1982 corresponding to the second legislature, has approved the following:

Whereas: The struggles of the Cuban peasants against capitalist, semifeudal and imperialist exploitation have found coherent expression in Fidel Castro's statements on the agrarian question in "La historia me absolvera" and in Law No. 3 of 10 October 1958 dictated by the General Command of the Rebel Army in the Sierra Maestra.

Whereas: The economic and social transformations in our fields since the Agrarian Reform Law of 17 May 1959 require organizational changes in the form of production of the small farmers that help consolidate the worker-peasant alliance and permit the scientific and technical development of this production and optimal exploitation of the land as well as new living conditions for the peasant family.

Whereas: Article 20 of the Constitution establishes, among other aspects, that: "The small farmers have the right to associate in the form and under the requirements of the law concerning the objectives of agricultural and livestock production and receiving state credit and services.

"The organization of agricultural and livestock cooperatives is authorized in the cases and in the form that the law establishes. Cooperative ownership is a form of collective ownership by the peasants who belong to them.

"The state supports the cooperative production of small farmers...."

Whereas: The resolution of the First Congress of the Communist Party of Cuba on "the agrarian question and relations with the peasantry" gives the National

Association of Small Farmers the task of publicizing, explaining, persuading and convincing each peasant family to progress toward socialist forms of production and to demand respect for the principle of voluntariness.

Whereas: In order to organize production on a larger scale it is necessary for the peasantry to go beyond the traditional forms of land use and advance toward superior forms of production based on the concrete circumstances of each area with effective application of technology, adequate and intensive exploitation of the land and collective work in cooperative form.

Whereas: Since the First Congress of the Communist Party of Cuba and the Fifth Peasant Congress, many agricultural and livestock cooperatives have been formed, the existing credit and service cooperatives have been reorganized and the collective work of the small farmers has been strengthened.

Whereas: At the Sixth Congress of the National Association of Small Farmers the results that the cooperative members are achieving were obvious and encouraging and, in the coming years, the major part of the peasants' land will be organized into cooperatives, it has become necessary to regulate and legislate this collective form of peasant work.

Therefore: The National People's Government Assembly, using its prerogatives, has adopted the following

Law No. 36

Law on Agricultural and Livestock Cooperatives

Chapter I: General Provisions

Article 1. The objective of this law is to regulate the exercise of the constitutionally recognized right of small farmers to associate in agricultural and livestock cooperatives.

Article 2. The cooperatives to which the present law refers are:

- a) Agricultural and livestock cooperatives;
- b) Credit and service cooperatives; and
- c) Any others that, in accord with the Constitution and this law, have the objective of superior forms of production in the work of the peasants.

Article 3. The formation of cooperatives, whatever their modality, will be verified in the register compiled by the State Committee for Statistics.

Chapter II: Agricultural and Livestock Cooperative

First Section: On Principles and Objectives

Article 4. An agricultural and livestock cooperative is the voluntary association of small farmers who combine their efforts for collective socialist

agricultural and livestock production through unification of their land and other means of production.

Article 5. The agricultural and livestock cooperative is an economic and social organization and its management is autonomous from the state. It develops its activities within the general interests of society and consistent with internal democracy in the cooperative and the common work of its members in accord with the Single Plan for Socioeconomic Development.

Article 6. Each cooperative has its basic line of production that, due to its possible effect on the general economy of the municipality, province and country, must be maintained; therefore, any proposal for change must be subject to the General Regulation of this law.

Article 7. The agricultural and livestock cooperative has the following basic objectives:

- a) To develop agricultural and livestock production based on the interests of society and the cooperative itself within the limits of its jurisdiction;
- b) To consolidate and increase social exploitation of the assets of the cooperative;
- c) To increase work productivity and efficiency of social production;
- ch) To increase production and sales of agricultural and livestock products to the state;
- d) To advocate the best application of technology and science in socialist forms of production;
- e) To help satisfy the growing material and cultural needs of the cooperative members and their families, to stimulate their participation in the different aspects of social life and to contribute to the improvement of the standard of living and the establishment of socialist relations of coexistence among their members;
- f) To promote socialist emulation; and
- g) To develop the conscious participation of the cooperative members and their families in the economic, political and social tasks of the country.

Article 8. The state gives the cooperative economic and technical aid and lends cadres and specialists in order to increase its development, achieve systematic increase in its production and advocate the identification of the interests of the cooperative with the interests of the rest of society.

Article 9. The cooperative insures the fulfillment of its plans through the correct use of its resources and those that the state supplies for those objectives.

Second Section: On Formation of Agricultural and Livestock Cooperative,
Legal Person

Article 10. The agricultural and livestock cooperative is constituted by the peasants who decide to form one in an assembly convoked for that purpose after fulfillment of the established requirements for its organization and the corresponding approval of the Ministry of Agriculture, at the request of the National Association of Small Farmers and after consulting the Ministry of the Sugar Industry when pertinent.

Article 11. The act of constitution must contain, among other aspects, the name and address of the cooperative, the name and signature of all its members, the inventory-appraisal of the assets contributed, election of the leadership organs and the obligation to comply with the Internal Regulation of the cooperative that is approved by the General Assembly of Members at the appropriate time.

Article 12. The agricultural and livestock cooperative is a legal person after its inscription in the corresponding register of the State Committee for Statistics.

Article 13. The General Regulation of the agricultural and livestock cooperatives indicates the deadline within which each one must regulate its internal life based on its specific conditions.

The Internal Regulation can be amended by the General Assembly of Members.

Article 14. The principles of organization, the forms of work of the agricultural and livestock cooperatives and the rights and duties of their members are regulated by this law, by the General Regulation and by the Internal Regulation of the cooperative as well as by the agreements approved by the General Assembly of Members.

Third Section: On Members of the Cooperative

Article 15. The contributors of land and the spouse, children and other relatives of the cooperative member, the widow of a deceased cooperative member or small farmer--whether or not the marriage was formalized--agricultural workers who work with small farmers and other citizens who meet the requirements set forth in the General Regulation can be members of the cooperative.

Article 16. The following are indispensable requirements to be a cooperative member:

- a) To be at least 16 years of age and be legally competent;
- b) To be accepted by two-thirds of the members of the General Assembly of Members; and
- c) To comply with the other formalities established by this law, the General Regulation, the Internal Regulation of the cooperative and other legal provisions.

Article 17. The cooperative contributes to the development of skills of the cooperative members and helps form its cadres.

Article 18. A member of a cooperative cannot simultaneously belong to another cooperative, own rural land or continue other labor activities that go against the objectives of the cooperative.

As an exception, after approval by the General Assembly of Members, some of its members can perform another labor activity not related to the cooperative for a certain period of time.

A member of the cooperative cannot be the personal owner of means of production that, in accord with the Internal Regulation of the cooperative, can only belong to the cooperative.

Article 19. It is the obligation of the cooperative member to work conscientiously to fulfill the objectives of the cooperative and to participate in the joint work, the care and protection of the social and cooperative property and in all the other activities performed in it.

It is also the duty of every member to maintain relations of cooperation and mutual aid with the other members of the cooperative in accord with socialist morality, to comply with labor and cooperative discipline and to demand compliance with socialist legality.

Article 20. A cooperative member shares in the revenue of the cooperative according to the quantity and quality of work contributed. He also shares in the benefits of the cooperative funds, in the cultural and sports activities and in rest and recreation.

Every member has the right to receive the benefits of social security and the other social benefits that the cooperative offers its members.

A cooperative member can enjoy the benefits of collective self-supply and housing that the cooperative assigns to him based on the internal laws.

Article 21. A cooperative member has the right to attend and participate in the General Assembly of Members with the right to speak and vote, to elect, be elected or appointed to the positions and responsibilities of the leadership organs and government of the cooperative and to know and approve its economic and social plans and its financial balances. He also must participate in the socialist emulation.

Article 22. Membership in the cooperative ends by voluntary withdrawal or disciplinary separation. When it is through application of a disciplinary measure, the agreement of two-thirds of the members of the cooperative is required.

Fourth Section: On Property and Patrimony of Cooperative

Article 23. Cooperative property constitutes the basis for the development of the cooperative economy and contributes to the strengthening of the national

economy. It is also the economic basis for achieving the well-being of its members. Its protection and care are the responsibility of the members and the state organs and organisms.

Article 24. The patrimony of the agricultural and livestock cooperative consists of all the assets, rights and activities constituted by:

a) The land and other means and instruments of production, housing, installations, cultural and recreational means and other assets contributed by its members or acquired by purchase or any other title and those constructed by the cooperative;

b) The animals and crops, agricultural, livestock and forestry production and other production obtained by the cooperative;

c) The accumulated funds and financial resources of the cooperative; and

ch) Its rights and activities.

The land and any other asset that the cooperative receives in usufruct are not part of the patrimony of the cooperative.

Article 25. Once the act of constitution is signed or the General Assembly of Members accepts a contributor as a cooperative member, the latter has the right to be paid the appraised amount for the assets contributed. This payment is made in the form and proportion determined by the General Regulation.

The cooperative member who, through his own choice or for another reason, withdraws from the cooperative only has the right to collect the unamortized amount for the assets he contributed as well as his share in the financial balance as established in the General Regulation.

Article 26. The land which is the property of the agricultural and livestock cooperative can only be transferred for reasons of public benefit and social interest and in an exchange that benefits the cooperative.

The transfers to which the above paragraph refers require the prior agreement of the General Assembly of Members and the authorization of the Ministry of Agriculture.

Article 27. The usufruct, rental, partnership, mortgage and any other form of lien or partial conveyance to private persons of the rights and activities emanating from cooperative ownership of the land are prohibited.

Article 28. The cooperative, by agreement of the General Assembly of Members, can concede to its members surface rights on the cooperative's land for the sole purpose of building housing. The cooperative regulation governs the terms and conditions of this concession.

Article 29. The rent, loan or any act of disposition of the means and instruments of production, housing or other assets of the cooperative that are basic

means can only be granted when it suits the interests of the cooperative and after prior agreement of the General Assembly of Members and with the authorization of the appropriate organism when pertinent.

Article 30. The General Regulation of the agricultural and livestock cooperative determines the funds that must be established and their use and grants prerogatives to the General Assembly of Members to define their amount based on its characteristics.

The funds of the cooperative can only be transferred and applied for a different purpose than allocated in cases and with the requirements established by the General Regulation.

Article 31. The finished production or production in process and the other goods to be marketed are based on the Annual Plan and the Internal Regulation of the agricultural and livestock cooperative.

Article 32. The use, enjoyment and disposition of land and other means and instruments of production, housing and other state assets that are transferred to the cooperative for possession, usufruct or other title must be adapted to the corresponding legislation and administrative provisions.

Article 33. The cooperative can dispose of agricultural land allocated for the self-supply of its members to be worked collectively by them when certain crops or livestock require it; this production will be the property of the cooperative.

Article 34. The cooperative members must pay the cooperative for the products allocated for self-supply. In duly justified cases and because of reduced family income, the member or his family can be authorized to pay a lower price for them. This authorization is always granted by agreement of the General Assembly of Members which also sets the prices.

Article 35. Only by exception, temporarily and if the cooperative lacks proper conditions, can the General Assembly of Members authorize raising animals individually or by family.

The cooperative members also require authorization for the possession of animals for personal or family use in the cooperative area.

Fifth Section: On Work Remuneration

Article 36. The cooperative pays for the work of each member based on quantity and quality and based on the socialist principle: "From each according to his ability; to each according to his work."

The cooperative members, independent of their contribution of assets to the cooperative, have the right to share in its profits based on the quantity and quality of work that they personally have done.

The cooperative member periodically receives a cash advance based on fulfillment of standards, workdays or unstandardized tasks. At the close of the

economic balance for the year, he receives profits based on the work he contributed and based on the Internal Regulation and the General Assembly of Members.

Article 37. The production of the cooperative and its other labor activities are the responsibility of the cooperative members.

As an exception, the cooperative can temporarily hire specialists and other workers only when the type of work demands it or when the production cannot be carried out by the cooperative members in time and with the indispensable conditions. These contracts are governed by the existing wage legislation and require prior approval from the Executive Board which accounts to the General Assembly of Members.

The work relations of the cooperative with its members are governed by this law, the General Regulation and its Internal Regulation. The other labor relations of the cooperative are developed based on the provisions that it establishes.

Article 38. The work standards for the cooperative members, the rates for the tasks they perform, the number of days of paid rest, the minimal quantity of work to be done by each member based on the tasks to be done and other aspects are governed by the Internal Regulation of the cooperative.

The methods of production and work organization are also governed by that regulation based on the specific conditions of the production of the cooperative and the way that is most favorable to the economic interests of society and the cooperative members.

Article 39. The Internal Regulation also grants additional remuneration and other material incentives to the regulated pay or established workdays in order to increase productivity and production and reduce costs and other measures that contribute to the revenue of the cooperative as long as the cooperative member fulfills the standards and other requirements.

The decisions on this that the Executive Board adopts must be ratified by the General Assembly of Members.

Sixth Section: On Indemnity for Damages; Claims

Article 40. The members of the agricultural and livestock cooperative answer for the damages that they cause to the cooperative in the fulfillment of their obligations.

The economic extent of the damage, concurrent circumstances and the intention of the violator as well as his past conduct in the cooperative will be considered in determining the amount of indemnity.

The cooperative member who demonstrates that the damage produced was not his fault is totally or partially exempt from responsibility.

Article 41. Indemnity to the cooperative in the cases to which the first paragraph of the previous article refers is paid in cash.

Article 42. In each case, the Executive Board of the cooperative determines the material responsibility of its members for the damages caused as well as the necessary measures to determine these. For that effect, it must hear the cooperative member who caused the damage.

The General Assembly of Members determines to what degree he must fulfill the obligation to compensate for the damages and the form in which pay is retained.

The total retention for this must not exceed twenty percent (20%) of his advance and the profits he receives annually.

Article 43. The claims of any cooperative member against the cooperative are presented to the Executive Board. If he disagrees with the measure that the board adopts, he can appeal to the General Assembly of Members. He can appeal against the decision of the latter based on the Regulation of this law.

Article 44. The procedure for claims is governed by the corresponding legal provisions.

Seventh Section: On Housing

Article 45. The housing that the cooperative member possesses on the land that he brings to the cooperative or which he constructs or transfers by his own means to land belonging to the cooperative is his personal property.

Article 46. The legal occupant of housing located within the perimeter of the cooperative retains the rights that existing legislation grants him, whether or not he is a cooperative member.

Article 47. The right to personal ownership of housing to which the preceding articles refer concerns the building. The land is the property of the cooperative and the owner of the housing only has surface rights.

When the owner of the housing is also the owner of the land, the cooperative can acquire the area that the housing occupies, paying its owner the corresponding legal price.

Article 48. The housing to which this law refers cannot be sold, exchanged or transferred by any other concept without prior authorization from the cooperative which has preferential rights to its acquisition at the legal price.

When inheritance is involved, it will be governed by the special laws that regulate it.

Article 49. Housing constructed or acquired by the cooperative and located on land it owns constitutes the patrimony of the cooperative. The cooperative is authorized to rent this housing or give free use to cooperative members or other persons while connected to the cooperative. The cooperative is free to establish the rental fee.

Article 50. Any decision or authorization related to housing must be first approved by the General Assembly of Members.

Eighth Section: On Inheritance

Article 51. The assets given to the agricultural and livestock cooperative are not transferred through inheritance.

The heirs of the deceased cooperative member receive unpaid amortization for the assets he contributed, his pending share in profits and pending advances.

Article 52. Inheritance of the housing of cooperative members will be governed by the respective legislation.

Ninth Section: On Leadership and Administration of the Agricultural and Livestock Cooperative

Article 53. The leadership and administration of the agricultural and livestock cooperative are governed by the principle of internal democracy.

Article 54. The General Assembly of Members is the superior organ of leadership and administration of the cooperative and consists of all its members who elect the president and other members of the Executive Board from it.

Article 55. The Executive Board is the executive and administrative organ of the cooperative and exercises its functions when the General Assembly of Members, to which it accounts for its decisions, is not in session.

Article 56. Election to and revocation of the positions on the Executive Board are approved by the General Assembly of Members.

Article 57. The decisions of the Executive Board of the cooperative are obligatory for all cooperative members and can only be annulled or amended by the General Assembly of Members.

Article 58. The president directs the activities of the cooperative and insures compliance with the decisions adopted by the General Assembly of Members and the Executive Board. He legally represents the cooperative to the state organs, organisms and enterprises in any matter related to it.

Article 59. The General Regulation of the agricultural and livestock cooperative governs the formation, prerogatives and main functions of the Executive Board and the auxiliary committees. Both organs, made up by cooperative members, encourage their participation in the administration and leadership of the cooperative. These committees include the Control Committee that oversees compliance by the cooperative with all the norms, legal provisions and regulations.

The General Regulation governs the prerogatives and functions of the president. It also regulates the organization of work brigades which contribute to the best fulfillment of the productive objectives of the cooperative.

Article 60. The auxiliary committees carry out the functions and tasks assigned to them and account to the General Assembly of Members that elected them.

Article 61. The Executive Board can appoint the specialized personnel indispensable for the development of the cooperative according to Article 37 of this law.

Tenth Section: On Mergers and Division of Cooperatives

Article 62. At the request of the members and by agreement of their respective General Assemblies of Members, two or more agricultural and livestock cooperatives can merge or form a larger unit; also a cooperative can divide itself into more than one cooperative in order to achieve better conditions for the objectives cited in this law.

The unit or units constituted acquire the nature of new cooperatives for all legal effects after their inscription in the corresponding register of the State Committee for Statistics.

The cooperative that merges or divides is dropped from the register mentioned in the above paragraph.

Article 63. The new cooperative is the legal continuer of the rights and activities of those that formed it and is substituted for them.

In the case of division, the new cooperatives assume the proportional part that corresponds to them.

Article 64. When a cooperative withdraws to join another cooperative, the latter assumes its proportional part of the rights and obligations.

This withdrawal can only take place with the prior agreement of the respective General Assemblies of Members.

Article 65. Any unification, integration, merger, division or withdrawal must first be authorized in accord with Article 10 of this law.

Eleventh Section: On Dissolution of a Cooperative

Article 66. The process of dissolution of an agricultural and livestock cooperative can only be initiated by agreement of the General Assembly of Members, approved by a majority of three-fourths (75%) of its members. The request is presented to the authorities that approved its constitution.

Article 67. The Ministry of Agriculture, at the request of the National Association of Small Farmers and after consulting the Ministry of the Sugar Industry when pertinent, analyzes and proposes solutions or measures concerning the rights and obligations of the cooperative in the process of dissolution.

To liquidate its assets, the organism names a liquidating committee which, once its work is over, reports on the matters that have previously been established.

Article 68. The dissolution of a cooperative becomes effective when it is approved by the authorized entity and the State Committee for Statistics is notified so it can be noted in the corresponding register.

Chapter III: Credit and Service Cooperative

Article 69. The credit and service cooperative is the voluntary association of small farmers who maintain ownership of their respective farms and other means of production as well as the production they obtain.

The cooperative members have rights and obligations.

Article 70. The objectives of this cooperative are:

- a) To plan, contract, receive and use, in an organized form, the material and financial resources and technical assistance that the state provides in order to achieve greater efficiency in the results of its production and to help raise the economic and social level of its members; and
- b) To encourage mutual aid and other forms of cooperation among the farmers and their families.

Article 71. The state supports the production of the small farmers organized in these cooperatives.

Article 72. The credit and service cooperative is an economic entity that is a legal person with responsibility limited to its patrimony.

This cooperative creates a collective fund with the form and quantity of contribution agreed on by its members.

Article 73. A member of the credit and service cooperative must be at least 16 years of age and be the legal owner of land used for agricultural and livestock production.

Spouses, children and other relatives of the members who are directly tied to the production of the farms can also be members of the cooperative.

Article 74. The land and other means of production, the property of the small farmer in the credit and service cooperative, can be inherited based on the established legal precepts.

Article 75. In case of dissolution of the credit and service cooperative, it appoints a committee to liquidate its patrimony which, at the end of its work, accounts to the members of the cooperative on the way those funds are distributed.

Temporary Provisions

First: The members of the agricultural and livestock cooperative will contribute three percent (3%) of the daily advance they receive for their work in the cooperative to the social benefit fund until the provisions on social security

for cooperative members are dictated and the cooperative members determine the amount of contribution.

Second: Once the respective General Regulations are promulgated, the cooperatives will adapt their current Internal Regulations within the deadline determined.

Final Provisions

First: The Council of Ministers, at the request of the National Association of Small Farmers jointly with the Ministry of Agriculture and the Ministry of the Sugar Industry, will dictate the General Regulation of the agricultural and livestock cooperatives and the credit and service cooperatives.

Second: The Internal Regulations of each cooperative will be approved by the General Assembly of Members.

It is the responsibility of the National Association of Small Farmers to oversee and demand that the Internal Regulations are adapted to this law and to the corresponding General Regulation.

Third: The cooperatives that are inscribed in the register of the State Committee for Statistics when this law goes into effect will be considered valid for all legal effects.

Fourth: The agricultural and livestock cooperatives and the credit and service cooperatives are governed by this law and other applicable legal provisions, their respective General Regulations, their Internal Regulations and the agreements approved by their General Assemblies of Members.

Fifth: The Ministry of Agriculture is authorized to dictate appropriate complementary provisions for the best application of this law and its regulations.

Sixth: All legal provisions and regulations that contradict fulfillment of the present law are repealed.

Seventh: This law will go into effect upon publication in the GACETA OFICIAL DE LA REPUBLICA.

Given in Havana City on 22 July 1982.

[Signed] Flavio Bravo Pardo

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IMPORTANCE OF NATIONAL LIBERATION STRUGGLES EXPLAINED

Havana VERDE OLIVO in Spanish 11 Nov 82 No 45 pp 8-9

[Article by First Lt Carmen Chirino Falcon: "In Support of Marxist-Leninist Training"]

[Text] National liberation revolutions stem from movements whose aim is to eliminate domination and foreign political, economic and ideological oppression and to constitute national states.

Imperialism is the chief enemy of oppressed peoples and, consequently, national liberation revolutions at the present time are markedly anti-imperialist in nature.

But it is impossible to get rid of the yoke of the monopolies without liquidating the feudal reminiscences and prefeudal relations that constitute the typical social basis of some of these countries as a result of imperialist exploitation. This is why national liberation revolutions are also in many cases antifeudal in nature.

In short, national liberation revolutions are anti-imperialist, antifeudal and democratic in nature and, as Lenin properly pointed out, "they perform democratic tasks aimed at throwing off the foreign yoke."¹

The worldwide revolutionary process of today, mankind's progress from capitalism to socialism, is a unique and powerful struggle against imperialism in which, as was stated in the declaration issued by the Conference of Communist and Worker Parties held in Moscow in 1969, "the three great forces of our era: the worldwide socialist system, the international working class and the national liberation movement, converge...."²

The national liberation movement is an inseparable part of the worldwide revolutionary process. Colonial, semicolonial and dependent countries suffer under the domination of imperialism, are exploited and plundered of their resources by foreign monopolies and, therefore, have one common enemy: imperialism. Hence the close bond among the different factions of the national liberation movement and the latter's association with other contemporary revolutionary forces.

Marx and Engels were the first to link proletarian theory and policy, the struggle for national liberation, with the battle of the working class of the capitalist countries. They regarded this link as part of the internationalist movement, the political education of the working class and liberation from the bonds that tied it to the bourgeoisie and its policy, hence Marx's formula: "A people that oppresses other peoples cannot be free."

The founders of scientific communism understood the full importance of the national liberation movement of the colonial and semicolonial peoples despite their relatively modest importance at that time. Analyzing the successes of India, Afghanistan, China, etc., they among other things underlined the fact that the stubborn resistance of the peoples of the Orient against the colonialists slowed down the reactionary English forces and placed obstacles in the way of their resistance to the pressure of the European revolutionary movement. In other words, the founders of scientific communism tackled the problem of the solidarity of the worker movement and that of national liberation from the point of view of revolutionary expediencies.

The reformers who occupied prominent positions in the Western European worker movement after the deaths of Marx and Engels repudiated their internationalist legacies and the role the former had assigned to the national liberation movement. Later, in a consistent struggle against these tendencies, Lenin demonstrated the importance of and the link between the national liberation movements and the struggle of the working class. He said: "The social revolution cannot occur in any other way than as a phase that relates the proletariat's civil war against the bourgeoisie in the industrialized countries with a series of democratic and revolutionary national liberation movements in the underdeveloped and exploited nations."

Lenin did not interpret this link as an abstract kind of solidarity or as a sort of class beneficence, but as a necessary alliance for combat and cooperation to achieve victory over the common enemy.

In view of the economic, political and social domination people are suffering under and the era in which this is taking place, the tasks of the national liberation movement may be ordered in terms of two fundamental phases:

First phase: The struggle for political independence, which includes the struggle for liberation from the political domination of imperialism, throwing off the colonial yoke to achieve true independence and the assumption of power by the patriotic and revolutionary forces of the country in question. Under the present circumstances this phase has already fundamentally been accomplished. The process of decay of the imperialist colonial system, constantly hemmed in and plunged deeper into the stages of the general crisis of capitalism, beginning with the victory of the great socialist October Revolution and the constant change in the balance of power in favor of progress, is already a reality.

In connection with this, the declaration issued by the International Conference of Representatives of the Communist and Worker Parties states: "Mankind has entered a new era in its history: Already free, the peoples of Asia, Africa and Latin America are taking active part in international policy.... After

the constitution of the worldwide socialist system, the factor of greatest historical importance is the downfall of the system of colonial slavery before the onslaught of the national liberation movement."⁴

Second phase: This covers the process of economic independence and socio-economic development, which includes nationalization of the basic means of production, the transformation of agriculture, eliminating feudal and tribal production relations, improvement of the social well-being and cultural level of the population and democratization of the life of the society and the state.

This phase is important inasmuch as it is aimed at breaking the bonds that tie the liberated countries to their former mother countries and at opening up possibilities for economic and social development in all fields, a task that has not yet been carried out in a large number of liberated countries and a process that, as we know, may follow either of two paths:

1. The /capitalist path of development/ [in boldface], which in the long run leads to a dead end for the young states because they are trapped in the world of monopolist capital.
2. The /noncapitalist path of development/ [in boldface], in which carrying out the tasks of economic liberation, abolition of feudal obstacles, the tasks of education and democratization of the country can, under the systematic direction of the progressive forces that have promoted victory, lead to a mounting development toward more just forms of human coexistence, toward a socialist society.

The most significant thing about the national liberation movement consists above all of the fact that it serves as the chief means of incorporating most of mankind, hundreds of millions of inhabitants of Asia, Africa and Latin America, into the world revolutionary process and as a highway for determining their historic and intermediate destinies. A very important point for the revolutionary movements to keep in mind and observe under the extremely complex conditions that exist in the world of today is to know how to delimit the motive forces capable of implementing revolution and lead them to the achievement of true independence.

It is necessary to determine the nature of the revolution, which is conditioned by the tasks the social forces called on to carry them out resolve to accomplish. Among the motive forces behind the national liberation revolution under the present circumstances we find: the working class, the farmers, the democratic intelligentsia, the military and progressive religious associations, the urban lower middle class and part of the national bourgeoisie.

The chief role must be played by the /working class/ [in boldface] since it is the most revolutionary and the one most interested in getting the revolution to produce its final consequences. Hence the necessity of promoting the development of this class, which will be responsible for heading and directing the national liberation revolution and its transformation into a socialist revolution, through development of the production forces, fundamentally in the most backward countries.

Given the characteristics of their motive forces, in these countries the struggle for national liberation becomes the creation of a broad front, generally led by the working class with its party in the vanguard or a revolutionary movement whose leaders act in the light of Marxist-Leninist ideas.

The socioeconomic tasks and class content of national liberation revolutions depend on both the internal conditions of the country in question and the nature of the era in which they evolve, with these revolutions having a regular tendency to become more far-reaching from one historical period to the next. Life has demonstrated that every historical period imparts its cachet to the national liberation movement.

In his work, "On the Caricature of Marxism and the Imperialist Economic System," Lenin emphasized "that it was impossible to understand any war of national liberation without comprehending the general conditions of the era in which it evolved."⁵

Thus, as elements in the antifeudal and democratic transformation of the bourgeoisie, the national liberal revolutions of premonopolistic capitalism tended toward being to a certain extent bourgeois-democratic in nature. Their basic social content was limited to the carrying out of bourgeois and bourgeois-democratic missions. (Example: The 13 English colonies of North America's revolution for independence, which resulted in the liquidation of colonial dependency, the elimination of English domination and the formation of the bourgeois national republic, although, as we know, some of the tasks of a bourgeois nature were to be carried out later as a result of the Civil War, which destroyed precapitalist forms of exploitation: negro slavery, forced labor of the whites and feudal elements in the agrarian system.)

As for imperialism, it was conducive to qualitative changes in the colonial system and led to a colossal expansion distributed throughout the world, which in practice meant the era of their national enslavement for the peoples of Asia, Africa and Latin America.

For all these reasons, modern national liberation revolutions are not limited solely to the winning of political independence and the constitution of a national state. The very problem of national liberation has in our time undergone serious modifications, with those involved having to tackle a larger number of tasks, including economic liberation. Those countries that are gaining their political independence during this period do not cease to be economically dependent and exploited.

Imperialist monopolies frequently retain their positions in the economies of these countries, preserving a situation of economic subordination to the former mother country. This is why, in addition to the tasks involved in the assumption of political power through national self-determination, contemporary national liberation revolutions exhibit a special phase oriented toward the acquisition of economic independence, economic liberation from imperialism. Our practical experience shows this to be the case in the victories and progress of the Latin American revolutionary movements for national and social liberation, with the unity and solidarity achieved by the revolutionary forces

in some countries and the advances that have been made in this direction in others constituting an important factor.

As we have noted, national liberation movements constitute one of the brigades on the worldwide revolutionary process that has evolved to an extraordinary extent and achieved many victories in our time thanks to the material and moral support of the worldwide socialist system and the worker movement in the capitalist countries, which head this process.

Under the present circumstances, in addition to the political liberation already achieved in almost all countries, national liberation movements are faced with the tasks of gaining economic independence, transforming the old structures dependent on foreign capital, solving the agrarian problem, developing culture and creating conditions that will favor the resurgence of industry and, therefore, modifying social structures based on the promotion of new production relations which do not necessarily have to go through the capitalist channel of development. When conditions are favorable and the revolutionary government acts accordingly, an intermediate phase of transition to the edification of socialism can be gone through.

FOOTNOTES

1. V.I. Lenin. "On the Caricature of Marxism and the Imperialist Economic System," OC, T-30, p 110.
2. Declaration by the Communist and Worker Parties [Conference] held in Moscow in 1969. Edicion Ano, 1976, p 49.
3. V.I. Lenin. "On the Caricature of Marxism and the Imperialist Economic System," OC, T-30, p 112.
4. Declaration by the Communist and Worker Parties Conference, Moscow, 1960.
5. V.I. Lenin. "On the Caricature of Marxism and the Imperialist Economic System," OC, T-30, p 86.

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SEPMI VEHICLE TRAINING FOR PRE-RECRUITS DISCUSSED

Havana VERDE OLIVO in Spanish 11 Nov 82 No 45 pp 10-11

[Article by Roberto Varona Fleitas]

[Text] The development of a gradually and ceaselessly consolidated defense against the aggressive policy of the American imperialists requires that the training of junior specialists for the Revolutionary Armed Forces (FAR) assume great importance in Cuba.

This task constitutes a chief objective of the work of the Society for Patriotic-Military Education (SEPMI) which has outstanding schools in the province of Camaguey — as it has throughout the country — aimed at providing courses for pre-recruits, among which the one dedicated to the training of future drivers of military vehicles is excellent.

In its short but productive history, this SEPMI unit, dedicated to the training of these drivers, has instructed and graduated many youths who have in exemplary fashion faced up to their duties in dissimilar and complex situations when they later went on active service in the FAR.

"The young men that graduate from our departments are ready to assimilate any combat technique consistent with the subjects studied here," Abelardo Perez Alfonso, the first instructor of the school, explained.

During their apprenticeship, students are served by 15 teachers who teach many subjects, divided into three groups: traffic safety, basic mechanics and driving.

During the past 3 years, the levels of teaching quality and promotion have gradually risen to attain a highly satisfactory degree. "This," said Perez Alfonso, "is the direct result of a good effort on the part of the instructors, improvement in teaching materials and encouragement of socialist competition. I believe that these factors form the triangle of our success."

Classrooms for classes in theory operate with technical facilities and models, most of which are created through the initiative of the teachers themselves, which guarantees effective utilization of the materials.

"This can be seen not only in the way students react to traffic signals, but also when breakdowns are set up for them which they have to identify and explain how to go about making quick basic repairs," Lorenzo Perez Londres, the head instructor for the Agramonte collective, added.

Only 30 years old and with the SEPMI for a little over 2 of them, this internationalist fighter has retained his top standing in competitions for a year and a half now while asserting that he does not intend to lose it.

"Every course involves a tense phase in our lives," he added, "not because there is more or less work, but because of the responsibility for creating in each youth the full aptitude for being up to the demands of the defense of our country.

"This is why among us instructors there are very rigorous standards to be met and we are rated in terms of these daily: the technical condition of the equipment, the carrying out of our methodological preparation and quality in the teaching of our classes, as well as our behavior with our comrades.... Because personal example is of inestimable value when you are teaching someone."

In the field the training cars, driven by each student under the constant surveillance of the instructor who is ready to use the vehicle's dual controls as necessary, advance over embankments full of obstacles, through thick brush and bogs.

And this is how every day ends for these Agramonte youths who are ready to undertake their first missions as defenders of socialism and beneath the banners of the proletarian internationalist movement whenever it may be necessary.

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DIFFICULTIES AT CONSTRUCTION ENTERPRISES NOTED

Havana TRABAJADORES in Spanish 17 Nov 82 p 1

/Article by Edith Martin/

/Text/ Five enterprises of the Ministry of Construction /MICONS/ are experiencing serious difficulties in the establishment of economic incentive funds, a fact that would affect the distribution of bonuses to their workers this year.

In an analysis of this issue covering the period from January to September 1982, those aspects which have stymied in this respect the Engineering Construction Projects Enterprise 16 /ECOI 16/ of Camaguey, the San Jose Foundations Enterprise of Havana, the Metallico-Construction Materials Enterprise 14 of Santiago de Cuba, and the Engineering Projects Enterprise 18 /ECOI 18/ of Granma Province were made public.

Among other difficulties noted at ECOI 16 was the commercial production shortfall due to the fact that part of the output was produced below the break-even point while the cost-to-weight of output ratio increased by over 2.4 percent.

The San Jose Foundations Enterprise evidenced unsatisfactory results in several indicators and simultaneously a loss in production exceeding 50,000 pesos. The average wage-to-productivity ratio was negative there and as regards the year's plan, the productivity and cost per weight show low levels of increment. /as published/.

During the period reviewed, the Metallic Production Enterprise, among other details, achieved lower results than those targeted in the plan and/or actual output in the corresponding period of 1981 in every respect. The unit was unable to pay bonuses to the workers last year because of difficulties found with the record keeping.

In connection with the shortfall of Construction Materials Enterprise 14, emphasis was placed on the fact that the average wage-to-productivity ratio was negative since productivity decreased while the average wage rose in equal proportion, a limiting factor in the establishment of economic incentive funds.

The indicators of ECOI 18, among other noted difficulties, fell for productivity and projected bonus levels, that is, productivity was lower than the actual projection in 1981 and fell below estimated bonus levels owing to the increase in the cost per weight of output in the order of 2.9 percent.

In a general way it was recommended to the above-mentioned enterprises that they work actively on the deficiencies which they face with the purpose of realizing their proposed targets.

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HAVANA CITY ROAD REPAIR MEASURES DESCRIBED

Havana GRANMA in Spanish 18 Nov 82 p 3

/Article by Fernando Davalos/

/Text/ Four construction enterprises--three falling under the jurisdiction of the Ministry of Construction /MICONS/ and one under that of the People's Government--are involved in the incipient repair plan of public roads in the city of Havana.

The state of the capital's streets and avenues in many sections is critical, and it will be necessary in the next few weeks to determine how many workers and resources will be required in the repair effort.

Our government's and party's decision to select for this endeavor Engineering Construction Projects Enterprises /ECOING/ Nos 4, 5, and 6 of MICONS and the Urban Roads Enterprise of the People's Provincial Government reflects the residents' preoccupation with the condition of the roads which they use, essentially where urban buses run.

The weight of these vehicles, greater than originally computed for the durability of these streets, and the lack of systematic maintenance work, among other things, have caused interruptions in the capital's traffic flow.

In the enthusiasm of the event of the 75 days of effort and victory which began in mid-October 1982, the crews involved in the reconditioning of Havana's streets and avenues were organized according to territorial lines as follows:

ECOING No 4 of MICONS, responsible for the western district, with its personnel and resources divided among La Lisa, Playa, and Marianao municipal districts. ECOING No 5, working the city's southern section, is responsible for Boyeros, 10 de Octubre, Cotorro, and Arroyo Naranjo districts. ECOING No. 22 /as published/ in the eastern section of the capital is responsible for the municipal districts of Guanabacoa, Regla, San Miguel del Padron, and East Havana.

The Urban Roads Enterprise of the People's Provincial Government was entrusted with the northern district, namely, the municipal districts of Cerro, Old Havana, Plaza, and Central Havana.

Additionally, there are participating in this incipient effort--which will certainly not be completed by the conclusion of the celebration of the 75 dyas--the men and crews of the municipal enterprises of the corresponding construction maintenance units, who will receive from the above-mentioned four enterprises help in the form of asphalt mix and technical assistance.

The repair plan initiated for the capital's roads envisions the immediate organization and placement into service jointly of 25 road repair brigades for asphalt mixing and 10 for concrete mixing.

According to the latest check made last week, some of these basic efforts to execute the plan still lack organization, a fact which is already responsible for some delays.

It was possible to determine--and this is something which our residents in the city of Havana can appreciate with strong feelings--that the effort has not yet started in a big way as expected and as it should be.

Some construction units equipped with significant work resources in heavy equipment are experiencing difficulties in activating a simple work crew with pickaxes, shovels, and other simple tools which is what is required by the problem which we have the potential to solve right away: The elimination of isolated potholes.

In the check mentioned earlier and overseen by Julio Camacho Aguilers, member of the party's Politburo and its first secretary in the city of Havana, the reaction of the four major enterprises has been positive, and it can be said that they are already in process of solving this initial difficulty.

The isolated pothole constitutes one of the most critical annoyances of our urban roads and is very often the direct cause of damage to a bus or other vehicle.

It is certain that many road stretches call for repairs or general reconstruction, but these efforts, which are not ignored but quite the opposite, represent a long-term solution.

For progress in this incipient task to occur, our asphalt and concrete mixing plants must spring into action while the men in our clay pits will know how to respond in the face of this need.

The asphalt mixing, the concrete mixing, and the repairs themselves should furthermore be made to our streets with careful attention to the quality of what is being done.

The people know perfectly well when a street's repair has been below par--in the first place because such "repair" vanishes right away and the job done thus evidences itself as an irresponsible piece of work.

It is necessary to eliminate inferior quality in the repair of thoroughfares and for this purpose those forces which are involved in this generalized road mending have technicians available at the scene.

A technician has been assigned to each of the 11 municipal districts where these efforts are being made: These individuals should oversee what is being done and demand that quality control be maintained.

When it is necessary to open a road to repair a pipe or water or sewer line, too, it should subsequently be closed in appropriate fashion. Many of these excavations are not filled properly, and with time a pothole appears. It is necessary to level the roadway.

There is a lot to be said regarding the problems concerning the state of the streets. A tremendous effort is now being made by construction workers and the results will not be long in showing up, essentially on the streets where buses run and regarding the detours which these vehicles have had to make on account of the condition of the roadways.

The people of the city of Havana hope our construction workers will respond to the need for repair of their streets.

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RAFAEL RODRIGUEZ ON LATIN AMERICAN ISSUES, RELATIONS WITH U.S.

Mexico City PROCESO in Spanish 6 Dec 82 pp 36-40

[Interview with Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, by Carlos Fazio during the week of 29 November; place not specified]

[Text] The system of relations between the United States as the hub of the empire and Latin America is breaking up. The United States has no valid answers to the region's problems.

These remarks were made without hesitation by Carlos Rafael Rodriguez, an attorney, economist and sociologist, member of the Politburo of the Cuban Communist Party and vice president of the Councils of State and Ministers, during his visit to Mexico last week to attend the presidential inauguration ceremony.

The Cuban communist leader reviewed the situation in Central America and the region in an interview with PROCESO. Among other things, he said that Nicaragua has confirmed the channels for pursuing a revolution and is now engaged in a democratic process of profound social substance; that Honduras, with its military chief Gustavo Alvarez, is playing a sinister role, spurred on by the Reagan administration; that Costa Rica has disgracefully become a tool of U.S. policy in the area, and that the Salvadoran guerrillas have confirmed their actual and potential strength and cannot be defeated by the army.

The interview went as follows:

[Question] The Sandinist victory in Nicaragua raised two longstanding issues once again: the problem of the channels for pursuing a revolution and the difficulties in constructing socialism in a region that the United States considers its backyard. I would like you to discuss these two problems in light of Cuba's own experience and of the current struggles throughout Central America.

[Answer] We first have to specify what kind of process Nicaragua is engaged in. They are pursuing a democratic revolution of profound social substance, but it is not yet a socialist revolution, although Nicaragua is being subjected to international pressures and U.S. hostility as if it were engaged in a socialist revolution. Nicaragua confirmed the problems of a revolution's channels during the struggle against Somoza. There are and have been situations in Latin America in which a democratic transition (and, I repeat, I am not talking about socialism yet) is possible only through the wideranging armed participation of the people, because all democratic channels have been closed off for the people in these processes. This does not mean espousing the idea that all sweeping changes in Latin America necessarily have to be achieved through armed struggle.

With regard to the second issue, what Nicaragua is trying to do today is make sure that its revolutionary internal changes, which are and have been sweeping changes, are achieved peacefully. The recovery of the ill-gotten wealth of the Somozas and the Somozists has given rise to a very important public sector. I do not think that colonial and neocolonial countries can move towards development unless the public sector plays a decisive role, and this is not necessarily socialism either.

Now then, if you ask me how I view the future of the peoples that begin this sort of revolutionary process, I can say, with conviction, that at the end of the road we will have socialist accomplishments, but not necessarily in the short run.

[Question] What, in your judgment, are the fundamental problems in Central America today? What is your assessment of the peace proposals for the region that some of the area's governments have put forth, and in this context, what do you think of Reagan's trip to Latin America?

[Answer] Reagan and his team think or pretend to think that the line between communism and capitalism is drawn in Central America today and they view the developments there as secondary incidents in the struggle they describe as between the East and West. From this arises an entire theory about defending the so-called Western World, which would oblige the countries involved in that defense to join the United States in a struggle against a stable Nicaragua and a victorious El Salvador. Naturally not even the United States' NATO allies are accepting these suppositions. For example, France, along with Mexico, is calling for a negotiated settlement with the participation of all forces in El Salvador and the support of the international community, including European Social Democratic groups, for Mexico's and Venezuela's appeal to seek the groundwork for a negotiated peace in the conflict between Honduras and Nicaragua.

It is tragic for Latin America that the short-sighted Mr Reagan, who has an anachronistic way of viewing U.S. interests in Latin America, took his trip at a time when the region's leading countries were underscoring

the need for peace negotiations and placed his Latin American hosts in the position of either having to accept or reject his charges against Cuba and Nicaragua. It was a good sign when his efforts went for naught in Brazil, in contrast to what used to happen in the past when a U.S. president merely had to wave his baton to prompt a chorus of support from most Latin American governments. President Figueredo did not buy the merchandise that he was trying to sell him. Instead, he stressed the efforts towards peace in the region, thus dealing Reagan's policy a harsh blow.

[Question] What is Cuba's response to Reagan's charges?

[Answer] Cuba's response to all of Reagan's vile propaganda about us and Nicaragua promoting "subversion" in Central America, is simply to challenge the United States to agree to the start of negotiations for peace in Central America. When these negotiations begin, we will be able to see clearly who is trying to destabilize Central America. The Reagan team, which now includes Mr Schultz, is stubbornly opposed to any attempt at an earnest, serious negotiation, and this obviously encourages the continuation of an aggressive, interventionist policy. Gabriel Valdes, the president of the Chilean Christian Democrats, and Frei's former foreign minister, who can hardly be suspected of backing gratuitous radicalism, told U.S. foreign policy-makers that the United States was making an ongoing mistake by pursuing a policy that assigned it solely the role of sustaining ultrareactionary military dictatorships. What has happened in Bolivia, what is happening in Uruguay and the collapse of the Chilean "miracle" are clear-cut reflections of the failure of Washington's policy.

[Question] What are the conditions for a negotiated settlement of the conflict in Central America?

[Answer] We would add nothing to the proposals that Mexico and Venezuela have outlined for the area as a whole and to the proposals that Mexico and France have made for the problem in El Salvador. In the case of El Salvador the FMLN-FDR recently made a pronouncement through the Salvadoran Church, and this proposal was as unrestricted as it could be inasmuch as it did not set any conditions for discussions. Through Fidel Castro's message to President Lopez-Portillo, which was made public, Cuba has said that it is willing to give every necessary guarantee so that no Latin American country need fear the so-called Cuban arms buildup. Cuba's weapons are there to defend the country, and no one who can hear Reagan's drum-beating around the world about Cuba would ever describe our country's defensive preparations as unjustified.

We have to move towards a true regional arrangement in which we all have to give assurances. All of us. Because otherwise the U.S. Government apparently feels it has a right to tell people how to behave. Everyone has to adjust his course of conduct. As long as the United States is giving economic, political, moral and armed aid (in the form of weapons sales that are almost free and groups of military advisers),

then you cannot expect that our Latin American countries will not feel that they are entitled to exercise our militant solidarity with those who are trying to reestablish democratic channels. I repeat: Everyone has to comply with the guidelines that emerge from group discussions.

[Question] To what do you attribute the fact that several Latin American countries are apparently "getting out of control" vis-a-vis the United States?

[Answer] The system of relations between the United States as the hub of the empire and Latin America has been breaking up for some time now. The Alliance for Progress failed as a reformist attempt to impose apparently democratic solutions instead of the profoundly revolutionary solutions of the Cuban Revolution. And the United States is failing today because it has no valid alternatives to offer Latin America. It is odd that in his project for the Caribbean Basin Reagan has recommended U.S. private enterprise as a solution to our woes. This is a prescription that has been applied in Latin America for 80 years now and that has totally distorted our economies. The makeshift loans that Reagan is offering will only make things worse because the borrowing will continue and because they impose conditions that will hamper the search for appropriate solutions through structural reforms in the countries that are victims of the crisis.

[Question] The Malvinas Islands crisis seems to be fostering a change in hemispheric relations. Might new, short-term alliances be forged?

[Answer] The Malvinas crisis merely triggered a deeper crisis, one that the United States could mitigate by enhancing its relations with this or that country in a search for followers. But this crisis will never be resolved unless the United States changes course and unless imperialism adopts other positions vis-a-vis Latin America. There are solutions in this direction. The only way to preserve an international structure in which capitalism can continue to play a role would be to adopt some of the principles that make up the New International Economic Order. Otherwise, the crisis will continue to worsen, and the responses of countries will be increasingly violent.

There are countries in the region like Brazil that want to end their subordination to U.S. imperialism and to seek their own economic solutions, not as satellites but as producing and exporting countries. This causes contradictions that the United States is not in a position to resolve. Similarly, it will not be able to resolve situations such as Mexico's, a country that in order to get ahead needs the opportunity to export to the U.S. market, which is impossible because of the mechanisms that distort economic relations between the two countries.

Things have not developed enough yet in Latin America to organize a Latin American and Caribbean defensive alliance. Let me give an example. Mexico and Brazil are renegotiating their debts individually. If Mexico, Brazil, Argentina, Peru, Ecuador, Costa Rica and other countries in debt to the United States had hammered out a common stand, the negotiating

conditions would have been much easier, because the United States would have had no alternative but to accept a rescheduling of the debts that Latin America has outstanding with its banks, at the risk of causing the collapse of the entire Latin American financial system.

[Question] Let's get back to the situation in Central America. What, in your judgment, is the role that Honduras is playing in the regional crisis?

[Answer] Honduras, and especially its military chief Alvarez, is playing a role we could term sinister, not only for Nicaragua but for all of Central America, because if a serious conflict breaks out between Honduras and Nicaragua, it will most likely spread throughout the area. Alvarez is dangerous because Reagan's policy is dangerous. If Alvarez did not feel spurred on, protected and supported by Reagan, he would obviously be holding his adventurist impulses very much in check. We are not absolving Suazo Cordoba of his own responsibilities, nor Foreign Minister Paz Barnica. Obviously, when a president abdicates his constitutional powers and paves the way for a constitutional change that deprives him of his status as supreme commander of the Armed Forces, he is laying the groundwork for his defeat, depriving himself of a tool for controlling and guiding military policy and, by surrendering this tool to an aggressive military officer like Alvarez, helping to make the situation more dangerous.

[Question] Under the Monge administration Costa Rica seems to be drawing increasingly close to the Reagan administration. Costa Rica's military apparatus is even in the process of being consolidated. Do you think that Costa Rica could become another springboard for intervention against Nicaragua, another piece in the political blockade against the Sandinists?

[Answer] Costa Rica has played a disgraceful role and forgotten its traditions. One of the main actors today has forgotten its own recent convictions and come to believe that the solution to its distressing economic problems is to become a tool of U.S. policy in the region. Costa Rica's attempt to develop a pro-U.S. alternative to Venezuela's and Mexico's authentic peace proposal failed because Panama and Colombia did not allow themselves to be dragged into this maneuver, which was designed to isolate Nicaragua and to undermine a real search for peace in Central America. There are those who entertain hopes of a change in the current government of Costa Rica, but Reagan's visit was without doubt a bad omen, because all indications are that Costa Rica is still playing along with the United States' endeavor to block negotiations for real peace in Central America.

[Question] The FMLN's military offensive in El Salvador last October and the FMLN-FDR's proposal for a dialogue during the offensive seem to indicate that military and political action have been effectively integrated after the severe blow in 1980, when the legal front lost its head. How do you assess the current situation in El Salvador? Has it gotten beyond the United States' control?

[Answer] What is happening in El Salvador confirms the actual strength and, above all, the potential of the guerrillas. In the wake of the fraudulent elections (which even THE NEW YORK TIMES acknowledged as such), brute military force prevails in El Salvador. The guerrillas have demonstrated that the army cannot defeat them. And when the army cannot defeat the guerrillas, when the guerrillas begin arming themselves with weapons seized from the military, when the populace sees that the guerrilla war is something more than an idea, something more than propaganda and when they see major towns occupied for several days, then this grassroots reaction starts to play a positive role in the development of the guerrilla force. All indications are that the guerrillas will be in a position to cause the collapse of the military forces, but not right away. The army cannot survive continual defeats.

We might ask paradoxically why the guerrillas are proposing a peaceful solution if they can't be defeated. The FMLN-FDR is right to consider a negotiated settlement in El Salvador with the participation of all forces because it would pave the way for democracy, save lives and conserve resources that the people will need. Furthermore, if people think that what the Salvadorans are calling for right away is socialism, especially, as the United States claims, an orthodox Marxist-Leninist socialism, then they don't understand anything. The revolutionary democratic solutions that Salvadoran groups are proposing can be validly achieved through negotiations, especially when they are based on a guerrilla military power that has to be listened to and against which continued combat offers no chance of victory.

[Question] What role are Social Democrats playing in the Central American conflict?

[Answer] At the Second Congress of the Cuban Communist Party, Fidel Castro stated that Social Democrats could play an active role and help out in both the peace problem and in the struggle of peoples for their independence and democratic reaffirmation. We see Social Democracy, in general, as a progressive force and as an ideological movement of reform. When forces of this ideological movement have come to power in certain Western European countries, economic contradictions have surfaced within imperialism, contradictions heightened by the hegemonic designs of American imperialism, which wants to control the world monetary system and trade markets, leaving the other developed capitalist countries with a subordinate, secondary role. Because of the contradictions within imperialism and because of Social Democracy's ideological impact, it plays a constructive role in the struggle of peoples for their national liberation and for economic change.

8743

CSO: 3248/366

HAVANA COMMENTARY CALLS HONDURAS 'U.S. GENDARME'

PA222256 Havana International Service in Spanish 2310 GMT 21 Dec 82

["Our America" commentary]

[Text] The year 1982 marked Honduras' debut as the gendarme of U.S. imperialism in Central America. This country now constitutes a well-equipped base for regional counterrevolution and serves as a springboard for yankee aggression against the new Nicaragua.

The role assigned by Washington to the Honduran military regime, which is disguised with the mask of a civilian chief of state, was reemphasized by the White House during the recent visit paid to that country by U.S. President Ronald Reagan who, during a meeting with the top Honduran authorities, expressed satisfaction over the attitude of the politicians and military men in Tegucigalpa.

During the last 12 months, the Honduran military sectors that support Gen Gustavo Alvarez, the armed forces chief, have aided and openly collaborated with North American intelligence, especially the CIA, in the drafting of plans and political maneuvers to destabilize and attack the Sandinist revolution. For this purpose they arm, finance, train and direct the bands of former Somozist guardsmen who have settled along the Honduran border with Nicaragua.

In 1982 those elements ceased being scattered bands and became regular military units, abundantly equipped with modern war materiel. The main counterrevolutionary bases in Honduran territory are located in the vicinity of San Judas, Cerro Baldoquin, San Marcos de Colon, Cacamuya, Trojes, (La Lodosa), (Monte de Aguila), (Hacienda la Estrella), Cerro de Los Nubarrones and Auca. Those camps house the bulk of the nearly 5,000 men of Anastasio Somoza's defunct national guard who have been living in Honduras since the fall of the Nicaraguan tyrant in 1979, as well as other anti-Sandinist groups.

All of them have modern military equipment supplied by the United States, which includes grenade launchers, rocket launchers, mortars, bazookas, heavy machine-guns, Fal and M-16 rifles and helicopter gunships. This way, and with the blessing of the Honduran regime, the counterrevolutionary military units

constantly stage raids into Nicaraguan territory, which have inflicted on Sandino's fatherland hundreds of casualties, mainly defenseless civilians, as well as substantial physical damage.

In this respect, the Nicaraguan Government has sent dozens of protest notes to the Honduran Government and has repeatedly urged it to open bilateral talks in order to find a peaceful solution to the border problem. Not a single one of those demands has been responded to by the Honduran authorities who, on the contrary, have taken new steps to expand their collaboration with the counter-revolutionary military units.

Although Nicaragua is the main target of the warlike North American policy toward Central America, Washington is also using Honduras to intervene in El Salvador. Here, the FMLN's guerrilla forces have extended the war of liberation to the entire country, and their victorious military actions are keeping the dictatorship on the defensive.

Therefore, the United States has found itself in need of using Honduran troops to prop up the tottering Salvadoran dictatorship. During the last few months, regular Honduran army units have participated more than 20 times in counterinsurgency operations in El Salvador.

The results have been far from satisfying, however. As a matter of fact, the Salvadoran guerrillas have dealt crushing blows to the inexperienced interventionist troops of the Honduran regime and have thus shown that the only thing to be gained from Honduran military meddling will be more political tension and bloodletting among the peoples in the area.

This also shows that all efforts by U.S. imperialism and its allies to stop the revolution in Central America will be to no avail because the Central American peoples are unstoppably advancing toward their second and definitive independence.

CSO: 3248/387

BRIEFS

CHINESE ASSISTANCE--Roseau, Dominica, Dec 14 (CANA)--China is to assist Dominica in agro-processing, fishing and agriculture, the Dominica Government has reported. The disclosure was made after Agriculture Minister Heskieth Alexander returned home from a one week visit to China, at the invitation of the Chinese Government, during which he had talks with senior officials. A government statement here also said that a fact-finding mission from China was to visit Dominica to assess the country's agro-processing needs, and that the Chinese Government would supply vessels of the type used in China to assist in the fishing industry here. Mr. Alexander, who was accompanied by agricultural adviser Colin Bully, described the visit as very productive. [Text] [Bridgetown CANA in English 1411 GMT 14 Dec 82 FL]

CSO: 3298/1179

SALVADORAN CP CHIEF CALLS FOR NEGOTIATIONS

AU211250 East Berlin NEUES DEUTSCHLAND in German 20 Dec 82 p 6

[Dieter Wolf report on press talk with Jorge Shafick Handal, general secretary of the Communist Party of El Salvador and member of the supreme command of the Farabundo Marti National Liberation Front (FMLN), in Berlin, date not given]

[Text] Berlin--If interventionary armed forces should invade in El Salvador, the FMLN would be ready to offer a long and active resistance. This was declared by Jorge Shafick Handal, general secretary of the Central Committee of the Communist Party of El Salvador and member of the supreme command of the FMLN, in a press talk in Berlin. He condemned the attempts of the ruling circles of the United States to create a new peace-engendering hotbed of conflict in Central America.

The FMLN and the "revolutionary-democratic front," the general secretary stated, have offered a political dialogue to the government, armed forces, the constitutional assembly and to all national forces of his country. "For we consistently support a political solution. Our policy is dialogue, negotiations." As long as there are no true negotiations, he said, we must continue to fight.

In this connection one should also proceed from the fact that the FMLN's fighting successes, particularly since the October offensive this year, had brought about a change in the previously existing military-strategic balance. "This balance has been broken through to our advantage." The hostile forces' losses are very large. The general secretary of the Communist Party of El Salvador gave the attending journalists a detailed report on the heavy losses of the enemy.

The policy of the present government of Magana as well as its North American helpers is more and more strongly opposed by the world public, above all because it contains the acute danger of a war breaking out in all of Central America. The United States tries to fan the conflict with the assistance of other dictatorships around El Salvador, which, however, could dangerously boomerang in view of the internal situation of these countries for the originators themselves.

More and more states of Latin America and all the world, Comrade Handal declared at the end of the meeting in Berlin, are speaking out against the imperialist war policy in Central America and supporting the demands for negotiations made by the progressive forces in El Salvador.

PAPER PRAISES STATEMENT BY U.S. ENVOY TO UN

PA161453 San Salvador EL DIARIO LATINO in Spanish 14 Dec 82 p 7

[Editorial: "Thank You, Ambassador Kirkpatrick"]

[Excerpt] At a time when El Salvador is being seriously accused of being one of the countries where human rights receive the least respect, we at last hear a strongly authoritative voice, that of U.S. Ambassador Jeane Kirkpatrick, raised at the United Nations in defense of our badly mauled country.

During one of that high international tribunal's sessions, Ms Kirkpatrick said the following to those who criticize our country:

"In the last year, the Salvadoran economy has been devastated and the poor people of this poor nation have been deprived of the fruit of their work by the guerrillas' repeated incursions.

"This is a strange method of promoting economic and social reform. The demands on Salvadoran society, according to experts on violence, are reflected in the destruction of 34 bridges and 135 high tension towers; the closure of stores because of guerrilla actions, which has left more than 18,000 workers unemployed; or the many buses destroyed and the recent kidnapping of two soccer teams and 120 spectators in a rural stadium in El Salvador. Despite all of this, the country continues with its normalization process by holding democratic elections and by pursuing a long-term agrarian reform."

Thank you, Ms Kirkpatrick, for this voice of encouragement and for your recognition of our just cause. Thank you again. A thousand thanks!

It was necessary to say this loud in every language throughout the world. The false human rights commission that operates in London, England, should have Ambassador Kirkpatrick's words etched deeply into its conscience--that is, if its members have a conscience--so that it may become well aware of what is happening here. [passage omitted]

CSO: 3248/368

BISHOP WARNS ABOUT POSSIBLE NUCLEAR WAR

FL251520 Bridgetown CANA in English 1510 GMT 25 Dec 82

[Text] St Georges, Grenada, Dec 25, CANA--Grenadian Prime Minister Maurice Bishop, in a Christmas message, has warned the nation of the dangers of a possible nuclear confrontation between the world's two superpowers.

He told Grenadians to consider this Christmas as a time when more than ever the tidings of peace and goodwill should deeply preoccupy their minds, because over the world hangs dark clouds casting nuclear shadows on the future of mankind.

Mr Bishop, in an apparent reference to the United States, said that "insane men are seeking to preserve outdated imperialist dreams at all cost."

In his fourth Christmas message since his left New Jewel Movement (NJM) seized power here by force of arms in March 1979, the prime minister said: "As women and men of goodwill, as revolutionaries, let us spare a moment for our sisters and brothers of South Africa, Namibia, El Salvador and Palestine who seek peace but receive in return persecution and no goodwill."

He added: "Let us especially remember our brave sisters and brothers of revolutionary Nicaragua, harassed on many borders by forces of aggression and denied the luxury of a peaceful season."

Mr Bishop also used the address to call on Grenadians to give a little more of their time, effort and energy to further advancing the building of the society, which the left-leaning Grenada government was hopeful of achieving.

He said that notwithstanding the progress made since the Grenada revolution, which was the first of its kind in the English-speaking Caribbean, "the fact of the matter is that much still has to be done" in the country.

He said that a great deal had to be done before Grenada could enjoy Christmases in which every child can have a full well-nourished stomach, and the vast majority of the people can enjoy the season with the confident knowledge that their essential wants are guaranteed.

Over the past four years, Mr Bishop said, the government had worked towards solving the country's poverty, discarding unemployment, and eliminating exploitation, complacency and waste.

CSO: 3298/1182

BRIEFS

DELEGATION TO MOSCOW--Grenada is being represented at this year's celebrations in Moscow marking the 60th anniversary of the founding of the Soviet Union. Minister of national mobilization, Brother Selwin Strachan, is representing the People's Revolutionary Government, while the general secretary of the Trade Union Council [TUC], John "Chalkie" Ventour, is representing the TUC. [Excerpt] [FL202345 St Georges Domestic Service in English 2300 GMT 20 Dec 82 FL]

INDIA SENDS GIFT--The People's Revolutionary Government has received a gift of farming implements from the government of India. The gift arrived in Grenada earlier this month. The equipment has been consigned to the research and development division of the Ministry of Agriculture at the (Maribow) Agricultural School. [St Georges Domestic Service in English 2300 GMT 20 Dec 82 FL]

COUNSELLOR IN CANADA--St Georges, Grenada, Dec 18 (CANA)--The Grenada Government has appointed Richard Cherman as counsellor at the Grenada High Commission in Canada with responsibility for trade and tourism. Mr Cherman, who held the post of deputy director of tourism in the Ministry of Tourism, left yesterday to take up his appointment. [Text] [FL181850 Bridgetown CANA in English 1443 GMT 18 Nov 82 FL]

CDB LOAN--Grenada is to receive a \$2 million loan from the Barbados-based Caribbean Development Bank [CDB]. This was confirmed this morning by the coordinator for CDB loans in the Ministry of (?Finance), (Noland Murray). He said the People's Revolutionary Government had received the agreement for the money but was examining the terms and conditions of the loan. Brother (Murray) said the agreement is expected to be signed shortly. The loan is to [be] used for establishment, rehabilitation and maintenance of crops and (?livestock) of the 26 state farms. [Excerpt] [FL220250 St Georges Domestic Service in English 2300 GMT 21 Dec 82 FL]

CUBAN HEALTH ASSISTANCE--Professor Cosme Ordonez, of the University of Havana in Cuba and a specialist in primary health care, ended a 1-week assignment in Grenada on Saturday. The visit was geared at monitoring and evaluating the development of health care in Grenada. He held discussions with minister of health, Brother Christopher de Riggs, and other health officials of the ministry. [St Georges Domestic Service in English 2300 GMT 21 Dec 82 FL]

NWO MEMBERSHIP--President of the National Women's Organization [NWO] and deputy minister of women's affairs, Sister (Phyllis Coard), speaking of the reasons for establishing parish executives within the NWO, told a press conference yesterday that the (?step) decreed parish executives came as a result of the tremendous growth of the NWO over the past years. At the time of drafting the last constitution, Sister (Coard) said, the NWO had a total membership of 1,500. Today, she said, there were 1,500 NWO members in the parish of St Georges alone and over 6,000 members island-wide. [Excerpt] [FL102350 St Georges Domestic Service in English 2300 GMT 10 Dec 82]

CSO: 3298/1172

SUPPLEMENTAL BUDGET FOR DEFENSE, OTHER ITEMS DEBATED

Georgetown GUYANA CHRONICLE in English 19 Nov 82 p 1

[Text]

PRIME Minister Ptolemy Reid warned the National Assembly yesterday that increased pressure on the nation including the threat from Venezuela would send up the costs for defence.

He said the Guyana Defence Force which embraces the People's Militia and the Guyana National Service, was making great efforts to feed itself but with increased prices, the costs for rations were greater.

He said the less details given, the better, but assured the house that the additional \$2 million sought was in the interest of the nation.

Cde Reid was one of several Ministers who gave answers concerning their Ministries and departments before the National Assembly finally approved a \$22.6 million financial paper for supplementary provisions on the current and capital estimates for the period ending October 26.

In answer to PPP's

Narbada Persaud, the Prime Minister said some semi-skilled and unskilled persons had been employed to ensure that the Office of the President was properly completed and electricity and fuel charges for continuous lighting of the Office of the President were being incurred because of the difficult electricity supply situation.

The Prime minister was also asked about the success of the re-migration programme and he said that about 30 persons had returned this year, both skilled and unskilled, but many of them were involved in carrying the thrust of development into farming communities and had to be given assistance.

Vice-President Steve Naraine explained that a new head calling for \$1.4 million was created for the maintenance of the larger bridges like Canje and the Demerara

Harbour Bridge.

Much of the money would be spent on the Demerara Harbour Bridge for not only physical maintenance, including purchase of parts, but the supply of electricity which will now be done by the GEC.

Cde Naraine explained that the buildings at Anna Regina formerly owned by Reed and Malik, had been acquired for \$900000 and the former Stella Maris School on High Street and a property at Charlotte and New Garden streets had been bought for \$180000 and \$120000 respectively.

He said the Chief Valuation Officer by whom the Government is guided had advised on valuations.

Cde Sallahuddin said Government had paid \$1 million to certain insurance companies to which Guyana Fisheries Limited was indebted and \$114479 was allocated to Guyana Timbers Limited.

'CATHOLIC STANDARD' TAKES SWIPE AT GUYANA, GRENADA GOVERNMENTS

Bridgetown ADVOCATE-NEWS in English 23 Nov 82 p 12

[Text]

GEORGETOWN, Guyana, Monday (CANAL) — Guyana's weekly, Catholic Standard newspaper has welcomed the discussion of human rights at the just concluded 12-nation Caribbean Community (CARICOM) summit in Jamaica.

Although it did not name any countries, the newspaper urged regional governments not to overlook the fact that in certain regional states "political opponents languish in jail, dissent is stifled, the press is hamstrung and repressive measures are employed to keep them in power."

"One is known to have gained its position by the gun and the other by the rigged ballot box," said Jesuit Editor, Fr. Andrew Morrison, in an editorial.

This was taken as an apparent reference to Grenada, where the government of Prime Minister, Maurice Bishop, came to power in a left-wing coup on March 13, 1979 and Guyana, whose ruling People's National Congress has frequently been

accused of rigging elections.

Asked the editorial: "Should these representatives be sitting around the same table as other representatives if the people they claim to represent have been robbed of the fundamental right to choose their leaders?"

The Catholic Standard said that heads of government may devise the most wonderful economic measures and plan perfectly integrated action, but these will be of little benefit to the people if their leaders deprive them of fundamental rights and fail even to account to them.

Haiti, Fr. Morrison said, is a classic example of where funding agencies would have learnt that pouring money into a country does not necessarily foster production and relieve starvation when governments are inefficient, corrupt and unaccountable to the people.

"Too often, national interests have made governments turn a blind eye to the suffering of people ruled by another Idi Amin," the paper added.

CSO: 3298/181

BRIEFS

BURNHAM ON GLU POST--President Forbes Burnham on Thursday night urged the Guyana Labour Union (GLU) to withdraw a motion which seeks to make him President of the GLU for life. He told the opening session of the union's conference Thursday that he had no wish to be President 'for life'. "I do not want to be President of the Co-operative Republic of Guyana for life. I want to be an elected President. It is up to you (the people of Guyana) to decide if you want me to be your President." In his opening address Thursday, Cde Burnham paid tribute to a former GLU executive, 80-year-old Augustus 'Gussie' Agard, who he said was not seeking re-election to the executive. He recommended that Cde Agard should be granted an honorarium so that he could enjoy his retirement in comfort. [Text] [Georgetown SUNDAY CHRONICLE in English 31 Oct 82 p 3]

COSTLY FIRE--AN estimated 150 people were rendered homeless as fire of unknown origin destroyed nine buildings, including the Swan Manufacturing Company in downtown Charlestown yesterday afternoon. More than one million dollars in furniture, equipment, buildings and valuables went up in flames during a two-and-a-half hour period as firemen dashed to nearby points in search of water to fight the flames. Five other buildings were damaged. Scores of people from neighbouring buildings removed their furniture and valuables. A number of looters were arrested by the Police as they attempted to remove property belonging to some of the fire victims. The police are investigating a report that the fire started in a home where two children were left to attend an oil stove while their parents were out. Arson is also suspected. [Georgetown SUNDAY CHRONICLE in English 31 Oct 82 pp 1, 8]

CIVIL DEFENSE COMMITTEE--Cde Anthony Johnson, Mayor of New Amsterdam, was recently elected Chairman of the Civil Defence Area Committee of New Amsterdam. At the inaugural meeting of the committee several members of the business community and representatives of government ministries and other agencies pledged their full support towards helping the committee achieve its objectives. Among the members of the committee are Jacob Bahadur, Vice-Chairman; Basil Hercules, Secretary; Percy Thomas, Treasurer; and S. N. Smith, Assistant secretary treasurer. Meanwhile, the committee has planned a number of "public awareness" programmes for this month. [Georgetown GUYANA CHRONICLE In English 4 Nov 82 p 1]

STRIKE SETTLEMENT--Workers at the Guyana Footwear Limited returned to their jobs yesterday and brought to an end a three-week old strike. The workers

went on strike to back demands that the Clerical and Commercial Workers Union be the sole bargaining agent for supervisors of the company. During the strike 22 workers were dismissed. The company agreed to withdraw the dismissal letters sent to the workers and to meet the union not later than November 17 to discuss the recognition issue. Vice President for Economic Planning and Finance Cde Desmond Hoyte made an intervention which resulted in a settlement. [Text] [Georgetown GUYANA CHRONICLE in English 9 Nov 82 p 3]

MINING TALKS WITH BRAZIL--Neighbouring Brazil may shortly assist Guyana in the exploration for tin in the upper South region of the country. A Senior Geology and Mines Commission spokesman said yesterday that tin deposits have been found and is being extracted in Brazil, near the Guyana-Brazil Border. The possibility of exploring for similar deposits on the Guyana side of the border is among the areas being examined. Co-operation in this area has been made possible through the signing of a protocol of co-operation between Guyana and Brazil during President Forbes Burnham's visit there recently. The Geology and Mines Commission official stressed that the project deals strictly "with exploration aspects." To this end, a two-man team from state-run Mineral Exploration Company in Brazil recently visited Guyana for three days, during which they held discussions with senior Energy and Mines Ministry officials. The possibility of exploration for gold in Guyana also formed part of the talks. [Georgetown GUYANA CHRONICLE in English 17 Nov 82 p 1]

EDITOR'S DEATH--Messages of condolence have been pouring in from journalists, sportsmen and others following the tragic death last weekend of Charles James Chichester, Editor of the Sunday Chronicle. He would have been 53 in January. "Chic", as he was familiarly known among his friends and colleagues, succumbed at the Georgetown Hospital while receiving treatment for injuries suffered in a car accident Saturday night. Traffic Chief Patrick Gaskin said Cde Chichester was driving along the new by-pass road which links Houston Public Road to Ruimveldt Avenue when he suddenly collapsed over the steering wheel. The car veered off the road into a ditch. Cde Chichester is believed to have died from internal injuries. Noel King of Republic Park, riding beside Cde Chichester, lost several teeth and emergency surgery was performed on his mouth. There are some who feel that Chic's outlook on life may have been influenced by his favourite singer, Afro-American Paul Robeson who was victimised by successive administrations for his support of revolutionary and civil rights causes. His views were mirrored in editorials he wrote for the newspapers dating back to the days of the privately-owned newspapers in this country. He continued to write controversial articles up to the time of his death. Cde Chichester served for a period in the foreign service as Information Officer at the Ministry of Foreign Affairs. He travelled widely and visited the Soviet Union last year. [Excerpts] [Georgetown GUYANA CHRONICLE in English 17 Nov 82 p 1]

REGION 6 AGRICULTURAL PLAN--The Regional Administration of East Berbice-Corentyne will embark on a large scale agricultural programme in 1983. In the effort to push agriculture, the Regional administration will encourage farmers to cultivate all abandoned lands. At a special meeting with heads of departments in New Amsterdam, Tuesday, the Administration discussed a budget of over \$200 000 for agriculture projects in Berbice. According to the Regional Agricultural Officer Cde Ramnarine, two 25-acre seed production plots will be

established at Black Bush Polder and a corn seed production centre at Rotterdam, East Bank, Berbice. The Region will also set up demonstration centres for onions, cabbage, carrots, citrus and sorghum cultivation at Whim, Black Bush Polder, No. 63 and Rotterdam. Cde Ramnarine said that these projects are aimed at meeting the needs of farmers with adequate seed and planting material. [Text] [Georgetown GUYANA CHRONICLE in English 19 Nov 82 p 3]

BUAXITE PRODUCTION--Only three of the 11 members of the International Bauxite Association were able to improve their output of bauxite in 1981. According to an IBA report, Ghana recorded 15 per cent, Haiti 3, 9 and Yugoslavia 3,5 per cent increases respectively over their production levels. The eight other members, including Guyana, Jamaica and Suriname experienced production declines. In 1981 Guyana, Jamaica and Suriname experienced production declines. In 1981 Guyana produced 1,7 per cent less than the 3,3 million tonnes it mined in 1980. ..The IBA report said that Australia remained the world's largest producer of the mineral with 25,9 million tonnes. Jamaica with 11,9 million tonnes and Guyana with three million tonnes occupied the third and sixth position respectively. ..The report noted that Haiti, one of the countries showing signs of increasing production had ceased mining this year. ..The World aluminium industry has been suffering from a severe depression which has sharply curtailed production of bauxite and alumina in IBA member countries. ..This depression has caused developing countries like Guyana to be hard hit by the low prices offered for the mineral. ..The spot market price for aluminium is 44 cents per pound. [Text] [Georgetown SUNDAY CHRONICLE in English 21 Nov 82 p 1]

FISHING CONTRACT--The Guyana fishing and shrimping industry was further boosted yesterday when a multi-million dollar contract was signed between Guyana Fisheries Limited and Guyana America Seafood Corporation. The contract, which runs for five years and is re-negotiable yearly, has arrangements for the Corporation to supply GFL with fish for local use, and will use the facilities of the Houston plant for processing shrimp mainly for export. Operations should start at the beginning of February 1983. In the first stage of the contract over \$2 million (US) will be spent on fishing and shrimping equipment including five trawlers. A total of fifty trawlers is expected to be brought down as the job progresses. These vessels are committed to supplying GFL with 4000 to 5000 pounds of fish each month. The Guyana America Seafood Corporation is headed by Guyanese Lancelot Lewis who has been involved in shrimping operations in this country since 1961 when he worked for Bookers Limited. [Text] [Georgetown GUYANA CHRONICLE In English 5 Nov 82 p 1]

CSO: 3298/181

REPORT ON INDUSTRY'S ROLE IN ECONOMY DEVELOPMENT

Port-au-Prince LE NOUVEAU MONDE in French 5 Oct 82 pp 1, 6, 8

[Article: "DIRP [Department of Information and Public Relations] Documentary: The Great Gains of the Revolution in Power: Haitian Industry in the Development Process of the National Economy"]

[Text] Haitian industry was almost nonexistent at the beginning of this century, when its commercial activities were confined to simple barter deals, but it has certainly experienced rapid expansion over the last 25 years. From small-scale production by craftsmen, which it was because of deficient infrastructure, Haitian industry subsequently underwent some quite spectacular transformations. It plays a part in the Haitian economy, for which it constitutes the principal source of revenue; it is based on our abundance of resources; and it should be promoted by all elements of society. For not only does Haitian industry attract foreign investment, thus bringing into the country a considerable influx of foreign exchange, but it also contributes toward bringing down unemployment through the jobs that it generates and helps to combat inflation through the increased trade that it spurs. Thus, Haitian industry enjoys special attention on the part of the present government, for the president-for-life of the republic, SEM [His Excellency Mr] Jean Claude Duvalier, who is steeped in the nation's problems, has decided to use all vehicles of economic growth to definitively launch the country on the road to progress.

No nation can hope to escape the ruts of underdevelopment without having recourse to the assistance of rationally operated industry. No country can aspire to any degree of economic liberation without bringing its industrial infrastructure to a higher level. Thus, the different governments that have successively led our country have always attempted to bring order into an area in which a real anarchy prevails. In fact, Haitian industry, which for a long time was left to manifestations of vague empiricism or the desires of inefficient amateurism, has for the last 20 years constantly shown definite signs of resurgence--of a maturity capable of helping it to increase its contribution to the Haitian economy tenfold.

Although during the 1930's and 1940's no appropriate policy or specific legislation on or preoccupation with national inspiration in industry was contemplated at the government level, the 1946 government showed a clear

and distinct desire to improve the nation's economic situation by calling on a certain measure of nationalism. During the first half of the 20th century, Haitian industry was plainly dominated by the presence of sugar mills producing for local consumption and multifarious activities of SHADA [expansion unknown] and MARITIMAS [expansion unknown], the management of which was entrusted to foreigners more concerned about developing war-oriented industry than laying solid foundations for a national industry. Proof of this is that soon after World War II, with the coming of peace, some of our provincial and rural towns offered the strange sight of shells of dismantled factories, relics of a period when the country was looked on as a storehouse or supplier for the countries involved in the war, when all industrial activity was directed toward the purchase or production of raw materials--plantains, rubber, brown sugar, etc.--to be processed in overseas plants.

Nevertheless, during Estime's presidency, Haitian manufacturers, confident of the country's potential, started to lay the foundations for a few ventures here and there. Local economic activity began cautiously in cocoa and cotton as well as industrial complexes fed by foreign investment, which provided customers for our ports, which were open to foreign trade traffic.

Haitian citizens from the hinterlands attracted by the feverish activity that prevailed on our wharves migrated to urban centers in the hope of escaping the vicissitudes of not very profitable farming. From the combination of circumstances arising from all these factors--on the one hand, the factories and various industrial complexes and on the other the human resources to make them operate--a special social class was born, subject to the fluctuations of an unstable international market and, most of all, outrageously exploited.

To prevent that exploitation, the Francois Duvalier work code provided a legal framework capable of harmonizing the many components of Haitian industry. It codified the rules of the game, decided on how to separate responsibilities and identified the rights and duties of all parties from the standpoint of making possible for Haitian industry a new rapid expansion. From that time on, there was an increase in the industrial activity of the country, whose political stability, abundance of labor and raw materials inevitably attracted both foreign and domestic investors.

However, it is the [post-Francois Duvalier] Continuity government, which embarked on a sustained process of democratization and national reconciliation, that has reaped the fruit of its efforts and determination to launch the country on the path of development. In fact, starting in 1973, Haiti experienced a major economic boom, with the installation of a good many factories, factories doing processing or even producing finished products, that were set up for the most part in the capital. Industrial parks that sprang from what formerly had been no-man's-land attracted a clientele of artisans, workers and small businessmen anxious to participate, with their limited means, in the national industrialization effort. That industrial activity, carried out mainly in the vicinity of the Francois Duvalier International Airport, led to an increase in parallel activity such as the

organization of public transportation, the setting up of small and large restaurants and primary health care establishments and, most of all, the construction of moderate rental housing for workers who lived near the industrial park.

So, as Eugene Staley stresses in timely fashion in his foreword to Robert W. Davenport's book, "the financing of small-scale industries, juxtaposed with progress in other important areas such as agriculture, education and modern manufacturing industry, is one of the requirements enabling developing countries to attain their economic, social and political goals." Thus, through an appropriate policy based on an ideology promoting a full blossoming of Haitian man, the government from the beginning of 1973 on was able to attract foreign investors who were drawn by our country's stability and security. Moreover, accommodations with respect to customs, tax terms and various exemptions ensured an increase in the number of factories. Haiti's primary sector industry was a bit unsophisticated, and Haitian industry was glad to explore the secondary and tertiary sectors. Agriculture went from being merely farming limited to sowing and harvesting to being agribusiness in which processing operations led directly to the consumption of processed goods. The potential was such that even factories for producing finished goods made their appearance in that environment, an environment that they flooded with their goods, and those factories sent their surpluses abroad.

It is quite difficult, of course, to record the precise figures for industrial activities in Haiti in such a brief piece as this. There are, however, current approximate estimates regarding the number of jobs created in the industrial sector and the rates of growth of the gross national product (GNP) and gross domestic product (GDP). There can be no dispute about the accuracy of the figures concerning the number of businesses listed in the register of the Ministry of Industry and Commerce, for in that area, which is so important for balancing the budget, the government exercises very tight control. In fact, from 1957 to the present the number of jobs in the industrial sector has grown by nearly 50,000. The sector experienced an extraordinary expansion starting in 1972-1973 with the arrival of massive foreign investment irresistibly drawn by Haiti's undeniable political stability and the dynamism of its plentiful labor. Whereas Haitian industry had previously been made up mostly of business ventures with joint domestic and foreign management, with minority participation of the Haitian state in some cases, starting in 1973 there was a proliferation of wholly domestic enterprises alongside private factories with joint domestic and foreign sources of capital. Therefore, one must distinguish between state enterprises, consortia with the Haitian state as a partner, private enterprises with both foreign and domestic capital and private domestic enterprises. To illustrate these four broad groupings in practice, let us cite the following. An example of a state enterprise is "La Minoterie d'Haiti" [Haiti Flour Mills], formerly Caribbean Mills Incorporated. La Maison Powell's [Powell's] as an example of combined foreign and domestic private enterprise is a limited liability company that is 52 percent Haitian and 48 percent foreign. As a domestic private enterprise, Factory Outlet is a significant model of development in the Haitian textile industry. SODEXOL [expansion unknown], quite an enormous enterprise, has majority Haitian

state participation--34 percent of the shares--and shows 33 percent each for domestic and foreign private sectors.

Thus, it is important to point out three quite distinct periods in the development of Haitian industry.

First Period: 1957-1962

This period was marked by the aftermath of four significant hurricanes that had serious effects on the national economy. The following were observed:

--Very low increase in GNP;

--A great increase in exports in terms of value (a doubling in 7 years), which corresponded to an even greater increase in terms of volume, since world export prices declined markedly;

--Stagnation and even decline (in 1961) in import consumption and gross savings.

Second Period: 1962-1967

Once again, three new hurricanes, including Flora, hit the country. Subsequently there was:

--A decline in GNP (down 4 percent) and an even more pronounced decline in per capita GNP (down 13 percent);

--A drop in the value of exports in spite of an improvement in world prices;

--A slight increase in consumption and recovery in imports;

--Stagnation in gross investment at 6.5 percent of the national product;

--A drop in savings, making external financing necessary;

--A very critical monetary situation and a wait-and-see attitude due to lack of confidence in the future.

Third Period: 1967-1975

This period was marked by:

--Overall recovery, even in constant price terms;

--An increase in GNP (up an average 3.1 percent per year; but up 8.2 percent in 1973 and 6.9 percent in 1974, which was 4 times the population growth in the same year);

--An increase in per capita GNP: an average 2.4 percent but 5.1 percent for 1974;

--Recovery in exports starting in 1970 and a great increase in world prices (recently for coffee);

--An appreciable increase in consumption, investment and savings, but in an inflationary climate a faster increase in consumption than in domestic production in 1974;

--Expansion of the banking establishment and of credit (domestic and foreign debt).

In Haiti, the process of industrialization cannot be understood apart from the country's agricultural sector. Coffee, cocoa, sisal, sugar, bananas, basic vegetable oils, cotton, tobacco, rice, grains and fruits are basic products that supply our food agribusiness industry. Marketing for some of these products has been done by less than 30 export firms, including 3 large ones--Madsen, Brandt and Wiener. With respect to sugar, expansion in domestic consumption has not allowed Haiti to use the export quota--34,000 tons--allotted to it by the [U.S.] Sugar Act. The increase in sugar cane production in 1975 (17 percent) is undoubtedly due, in part, to that quota. Although the sugar sector of the Haitian economy is divided into three kinds of operations--family miniplots reserved for subsistence farming, guild arrangements, and the factory estates, called sugar stations--highlighted by complexes such as HASCO [expansion unknown] with its 70,000-ton processing capacity; Dessalines Station, a Haitian sugar factory with a 12,000-ton capacity; and Caldas-Welsh Co., which processes 20,000 tons a year.

Although bananas, basic vegetable oils, sisal and cotton rank ridiculously low in terms of Haiti's foreign markets, cocoa farming experienced extraordinary expansion in 1973-1974, which made cocoa eighth among exports according to value.

As for livestock, an American company, Haitian American Meat and Product Co., dresses beef; it markets a small part of its production under the brand name "Gourmet" and exports most of it to Puerto Rico or the USA. In 1973-1974, meat held steady in ninth place among exports according to value.

With a view to coordinating natural resource research and development activities in Haiti, the government established the National Institute for Mineral Resources on 25 March 1975. Although bauxite was systematically and scientifically mined by Reynolds Haitian Mines Inc. and copper mined in like fashion by SEDREN (Mining and Economic and Natural Resource Development Company of Haiti), there is currently intense exploration going on for lignite and other ores--manganese, iron, marble, gypsum, gold and possibly molybdenum. In the near future, this exploration is likely to result in the establishment of processing plants in the promising mining sector.

Around 1960, Haitian industry amounted to very little if one excepts the sugar refineries and Reynolds mining installation. But since then a garment industry has developed that works with semifinished inputs and ends up with reexportable finished products. In 1972-1973, assembly operations numbered 869; they employed 23,900 people, mostly women, and paid an aggregate of 37 million gourdes in wages. In June 1975, 919 foreign firms had set up in Haiti. Of that number, 53 percent were garment businesses, 16 percent electronics, 16 percent sporting (baseball) goods, 4 percent toys and 2 percent leather goods.

Tourism plays a not insignificant role in our economy. Haiti's peaceful and secure situation has been helpful for tourism, and the latter has given rise to development in the country's hotel infrastructure.

Port-au-Prince has a very luxurious hotel (Habitation Leclerc) and 10 other hotels of various categories with an overall capacity of 500 rooms and apartments.

Petionville, which is at a high altitude, has some renowned establishments--Ibo-Lele, El Rancho, Choucounne, Dambala, Villa Creole and so on--and in all has 15 hotels with about 500 rooms. Beach facilities have grown up at the same rate, creating a fairly considerable number of jobs. The Club Mediterranee not far from the capital offers tourists picturesque spots that are the envy of holiday-makers.

To sum up, the roster of Haitian industry is as follows:

- Establishments producing durable goods with mostly domestic input.
- Establishments producing consumer goods with mostly domestic input.
- Establishments also producing consumer goods but with mostly foreign input.
- Establishments producing specialized goods with foreign input.
- Pharmaceutical factory.
- Plastic goods factory.

To these categories of Prof Paul Moral's should be added the establishment of a few service businesses and two or three small plants for processing local products.

Thus, from 1973 to the present, Haitian industry has been able to offer the full measure of its strength, not only in the area of productivity and profitability but also on the social level by curbing or easing the damaging effects of unemployment and inflation. Although as Edouard Francisque asserts, "The Haitian economy shows signs of structural blockage that constitute extremely difficult obstacles to overcome," nevertheless the desire to improve living standards that has turned into a determination to "be something more"--that alone justifies government activity to overcome all pitfalls in order to win the economic battle, activity that is the spearhead of progressive Jean-Claudism.

PEASANTS ASSOCIATION ISSUES STATEMENT

Tegucigalpa LA TRIBUNA 1 Nov 82 pp 12-13

[Text] On the 20th anniversary of its founding, marking 20 years of unimpeachable agrarian social struggle, the Honduran Peasants National Association (ANACH) held its tenth national ordinary convention, representing over 88,000 Honduran peasants.

Maintaining its unwavering Standards of examining the state of the nation with responsibility and farsightedness, the convention tackled this very point on its agenda and did a searching analysis of the economic, political, and social situation of the country today. It reached realistic conclusions, which are herewith summarized in a statement that reflects the considered, serene, and militant judgment of ANACH and is directed to the people and government of Honduras, as follows:

Background

On 29 September 1962 ANACH emerged as a peasants trade union organization, dedicated wholly to agrarian struggle for the acquisition of the means of production and better and more even living standards for its members, as well as monitoring and insisting on strict compliance in the application of overall agrarian reform in Honduras.

During 20 years of struggle over land, ANACH has achieved significant and important changes in the landholding structure and the behavior of the peasant in social, economic, political, and cultural areas; it is a struggle that has also served as an example for other peasant organizations in this country.

ANACH, as an agrarian trade union organization, has struggled in the past, is struggling at present, and will continue to struggle so that total agrarian reform will be applied and carried out in Honduras with the objective of incorporating the greatest number of peasants possible into the productive process of the nation, peasants who are now without land and the means of production and who exist under conditions of misery and extreme poverty.

In this sense ANACH maintains an unwavering position towards the social injustice which Honduran peasants suffer from, because as long as that

situation persists, there cannot be peace nor permanent tranquility in the countryside, and thus in the nation.

The National Situation

At present the population of Honduras is 3,413,400, of which 1,219,900 constitute the urban population (37.7 percent), and 2,193,500 live in rural areas, or 64.3 percent of the total population. It is estimated that over 398,818 families live in the countryside.

The population of Honduras has been growing at the rate of 2.8 percent annually, which is a cause for concern since the Honduran economy grew at a relative rate of 2.5 percent in 1980 and in 1981 the situation worsened when a real growth rate of 0.3 percent for the nation's economy was obtained, well below the annual population growth.

In addition to the above, there are the effects of inflation, which was 18.8 percent in 1980 and 9.6 percent in 1981; nevertheless, no one doubts that the taxes approved recently will seriously affect the price indexes and consequently family budgets.

In 1981 our economy showed a lower growth rate, dropping substantially to a level equivalent to stagnation and paralysis in comparison to the previous 4 years, since it barely reached 0.3 percent annually.

This drop is attributable to a marked deceleration in the growth of production of goods and services; the increasingly precarious and unsustainable situation in foreign trade transactions; inflation, which, in addition to the imported brand, has been generated internally and in an irresponsible way due to the lack of sound policies in the production area and price controls that have not reflected the real needs of the country; a large increase in fiscal deficits throughout the public sector due to lack of suitable and sound policies for investments and current expenditures, because there has been waste of available resources everywhere; notorious liquidity within the national banking system, and what is still worse an enormous flight of capital and foreign exchange with the approval of the national institution that is called upon to ensure such things do not happen. This includes authorizing the transfer of our dollar reserves on the order of \$5000 in the last 5 years, as a result weakening and damaging the already endemic domestic situation.

The prevailing unemployment in the rural areas is worrisome and is caused by the lack of growth in production since the work force that produces for that sector cannot be absorbed by the few rural area producers.

The process of agrarian reform in Honduras began to decline starting in 1978 and it later dropped to levels equivalent to paralysis and stagnation in all aspects, as is happening today; this amounts to a very dangerous situation which must be given due attention if we want to live in peace and an atmosphere of full liberty and social justice.

On the basis of the above considerations, the tenth ordinary national convention of ANACH feels that the government that reigns over the destinies of our country should take decisive action along the following lines:

a) A policy of overall agrarian reform should be delineated and applied within the National Development Plan being carried out by the government so that not only will the land be expropriated but the Honduran peasants will be efficiently incorporated into the national organizational and productive process.

The measures they undertake should be aimed at reviving the agrarian process and adopting practical measures to protect the peasants who do not possess land and those who have already received them, whether or not they belong to peasant organizations.

The Agrarian Reform Law should be applied vigorously and impartially so that the objectives envisaged can be reached for the benefit of all Hondurans.

b) Establish an objective and suitable policy to stimulate and increase national agricultural production, adopting the necessary measures to ensure that public institutions act coherently in the development and execution of such policies and measures. This policy should not only include the beneficiaries of agrarian reform, but also small and medium producers all over the country.

c) Put a stop to the dismissal of personnel from government institutions because they do not belong to the party in power or to make room for recommended individuals or favorites of the politicians.

d) The convention analyzed the legal content of Decree No 33, Article 3, Section 3, and the damage it has done to the peasants concerning the forceful action they have taken to expedite their applications for land. Therefore, being opposed to its wording and because of the injustices being committed, we ask that it be modified and brought into line with the purposes for which it was created, without having our actions considered subversive.

In addition, the constituted government should consider the following needs which have an influence, direct or indirect, on the overall improvement in the living conditions of the peasants in the Honduran countryside.

Education

Over 70 percent of the rural population is illiterate, a large number of children do not even receive the most elemental education, and there is a considerable number of dropouts, all of which makes the following necessary: Increase construction of schools in the rural areas and provide them with their respective teaching personal and school equipment.

Provide scholarship programs for the children of peasants in secondary technical schools, and university education.

Augment the adult literacy program in rural areas.

Teach agrarian reform and cooperatives in the educational programs at all levels.

Health

Malnutrition and parasites are the principal causes of death among the rural population, along with a high infant mortality rate; therefore, it is necessary to:

Broaden the coverage offered by the Honduran Social Security Institute to include the rural sector.

Clinics and hospitals in the rural area should be provided medical and nursing personnel, surgical and medical equipment, and adequate supplies of medicines.

Broaden health programs covering services for the prevention of disease, vaccination, installation of comfort stations, etc.

Establish programs for periodic visits of medical teams to the most remote places.

Housing

Ninety-three percent of the peasant population does not have comfortable housing in accordance with their individual needs; huts prevail with accompanying situations that produce promiscuity; therefore, it is necessary to:

Undertake a vigorous program of rural housing construction for the peasants at low cost which would take into account several factors, such as climate, region, habits and customs, agricultural activity, utilization of materials, and available local manpower.

Provide rural housing with the respective sewer, water, and electrical energy services.

Infrastructure:

There is an obvious lack of secondary roads and access routes to the principal areas of peasant concentration, as well as dikes and flood control systems along rivers such as the Ulua, Chamelecon, Aguan, and others, which periodically affect and destroy considerable amounts of annual and perennial crops; therefore, considering the priority attention the problem demands, the following is needed:

Construction of secondary and access roads to areas of peasant settlements.

Construction of dikes, dragging and channeling of rivers.

Repair and rehabilitation of highways leading to peasant settlement areas.

Expropriation and Adjudication of Land

Recent statistics show that there are 144,000 peasant families in this country without land, which is an unproductive labor pool also lacking in credit, technical assistance, etc; therefore, we demand the following:

An immediate nationwide survey of all the usable rural land throughout the country, whether government-owned, cooperative, or private, so that policies and measures can be formulated in the area of agrarian reform.

Begin expropriating lands that are currently uncultivated and idle.

Carry out an intensive program adjudicating lands to peasants.

Review the prices of adjudicated lands with temporary titles, since it is felt that these prices are too high and do not reflect the quality of the land adjudicated.

Grant collective title to adjudicated lands to the peasant groups.

Respect and guarantee the occupation of lands by peasant groups that work them with or without a guarantee of occupation.

Grant property titles directly to ANACH member groups, in the name of the regional farm cooperatives (to do so as the National Agrarian Institute (INA) suggests, would destroy many years of struggle), so as to create a model for cooperatives capable of lowering costs and combatting exploitation of the peasants by the market, credit institutions, and the agricultural industry.

The director of the INA in his agrarian reform plan states publicly that it will increase small enterprises on a national scale. We know that in order for him to gain greater support, he should coordinate this program with the peasant organizations, and should take the regional cooperative into account wherever ANACH has such cooperatives so as to pass this cooperation on to the peasant settlements.

Increase agricultural surveying personnel in order to fill the many needs for land measurements.

Provide the necessary vehicles and fuel to all the regional offices and specific projects of the INA so as not to delay the agrarian reform process.

Credit

The greater part of peasant settlements do not receive credits for production purposes, and in this area the following should be done:

Establish a special agency of BANADESA [National Agricultural Development Bank] to receive, process, and fill credit requests needed by peasants, through their agrarian cooperative organizations, and by small and medium producers as well.

Grant credit on time and rapidly and exercise effective supervision over disbursements to avoid improper use and the abuse of officials in charge of them.

Grant credit to peasant groups with the object of diversifying their productive agricultural activities.

Technical Assistance

The 1,400 peasant organizations and the thousands of small and medium producers have serious and in some cases critical limitations because of the inadequate and sometimes absent technical assistance that their production units require; in view of this, we ask:

That the Ministry of Natural Resources formulate an agricultural extension program for the peasant settlements throughout the country, based on timely and adequate planning and organization of the production unit, and considering and respecting the business enterprise models of each peasant organization, also assigning expert and specialized personnel to the various branches of agricultura production.

That the training programs covering technical courses and production, organization, administration, farms, and the organization of manpower be prepared with the participation of the peasants, the Secretariat of Natural Resources, INFOP [Production Development Institute] DIFOCOOP, INA, and any other government institution.

That each technical area be handled by one institution in order to avoid duplication of functions and educational activities and training and thus achieve real and effective institutional coordination.

That the institutional structures created be maintained and strengthened by effective peasant participation, such as in the case of:

- a) National Agrarian Reform Commission (CONARA).
- b) Coordinating Commission for Development and Training of Honduras (COPROCACH).

- c) National Institutional Team (ENI).
- d) National Operating Institutional Team (ENOI).
- e) Regional Operating Institutional Team (EROI).

And all the regional auxiliary organizations in order to continue the coordination of the organization, training, planning, and application of programs of agrarian reform.

Marketing

Throughout the country the greater part of peasant settlements do not enjoy access to basic grain storage facilities; therefore, it is necessary to:

Have IHMA [Honduran Institute of Agricultural Marketing] expedite the construction of rural silos in order to apply harvesting and storage training principles.

Authorize financing and assign resources so that the regional cooperatives and peasant settlements can have their own silos.

Assign sufficient resources to the IHMA so it can enlarge its capacity to acquire and store a larger quantity of basic grains.

Support BANASUPRO [National Basic Products Supplier] with more resources and broaden its sphere of action to include the rural communities.

The government should guarantee and ensure markets for peasant groups dedicated to the cultivation of sugarcane, cacao, cashews, pineapple, citrus fruits, and cattle.

The necessary markets should be found so that peasant settlements with export credits do not lose their harvests, such as African palm oil, grapefruit, and others.

Regarding the trading or marketing of basic grains, priorities should be established for the delivery and storage of products, doing away with the use of big traders and middlemen, who do not allow the reformed sectors financed by the government to adequately store their production and enjoy guaranteed minimum prices that are in line with present production costs.

Agroindustry

Several peasant agricultural enterprises are operating at full capacity processing a wide variety of products, and it is advisable to start the transformation to the industrial stage; therefore it is necessary to:

Foster, support, and finance the creation of peasant agroindustries within the agrarian reform process.

Authorize the necessary resources to enable the agroindustry projects already earmarked for peasant groups to begin operating so that the agrarian triangle of owner-worker-businessman can become a reality among the peasants.

The above concepts express the authentically democratic and militant feelings and thinking of the delegates to the tenth ordinary national convention of ANACH in the face of the economic, political, and social problems of our country.

We are passing through a time of anxiety and difficulty nurtured by the violent political and ideological waves from the neighboring countries. Honduras needs the participation of all its sons to face this situation with determination and courage. In this sense the peasants who belong to ANACH are today as ready as ever to contribute their earnest efforts to foster and maintain economic, political, and social peace, which Honduras needs so much in the present circumstances. Nevertheless, we feel it is our duty to warn that it is necessary for the government and other sectors that make up the nation to establish a mystique that is both adaptable and deeply social which, in the first place, will make real the concept that the agrarian reform Is Not For the Peasant But Is With and By the Peasant, because agrarian problems are burning issues at all times, and the peasants become desperate when their petitions go unheeded. ANACH expects a better response; otherwise, we will not be responsible for the forceful actions adopted because of the lack of a piece of land.

29 September 1982

"He Who Loves the Land Loves His Country"

By the Honduran Peasants National Association (ANACH):

Antonio Julin Mendez
President

Jorge Antonio Hernandez Alonso
Vice President

Ramon Antonio Sevilla
Secretary general

Juan Francisco Vasquez
Organizing secretary

Matilde Manueles Alvarado
Treasurer

Santos Valeriano Ordenez
Recording and correspondence
secretary

Victor Manuel Calix
Advisor

9015
CSO: 3248/326

COUNTRY SECTION

HONDURAS

BRIEFS

EEC DONATION--The EEC has granted Honduras 34 million lempiras for use in rural projects. It was clearly specified that this is not a loan, but a donation. It will be used for projects in outlying areas and for the development of basic grain industries. [PA030520 Tegucigalpa LA TRIBUNA in Spanish 2 Dec 82 p 6 PA]

CSO: 3248/385

BRIEFS

SHOOTING LINKED TO POLITICS--Kingston, Jamaica, Dec 22 (CANA)--Two people were shot and killed and two others injured early Tuesday during a dance at the constituency office of Jamaica's industry and commerce minister, Douglas Vaz, police here have said. Police said that men in a passing car sprayed the dance with bullets shortly after one o'clock (local time) in the morning, killing Michael Dickson and Maureen Ffyfe. Two men, Brancroft Boyd and Roy Sutherland were wounded. However, Mr Vaz claimed that the gunmen used a ladder to get on top of an eight-foot wall at the back of his north central St Andrew constituency office from where they did the shooting. Mr Vaz apparently believes the shooting was linked to politics. He told reporters that the incident was "...a repeat of the shootings and injury to people at my office during the 1980 election campaign, the given difference being that persons were killed on this occasion." Police said that they have not established a motive for the shooting. During the violent 1980 election campaign constituency offices of both Mr Vaz' Jamaica Labour Party (JLP) and the opposition People's National Party (PNP) were fired on. [Text] [FL222320 Bridgetown CANA in English 2227 GMT 22 Dec 82]

IFAD LOAN--Jamaica is to receive a loan of \$10 million from the International Fund for Agricultural Development [IFAD] to assist in the financing of a small-farmers credit project. The loan agreement was signed between IFAD president, Mr al-Sudiary and the Jamaican ambassador to Italy, Mr K. G. Hill. The loan, the first IFAD loan to Jamaica, is repayable over a period of 20 years including a 5-year grace period with an interest rate of 4 percent annually. [Excerpt] [FL210250 Kingston Domestic Service in English 0000 GMT 21 Dec 82 FL]

DROP IN BAUXITE PRODUCTION--The Jamaican Bauxite Institute has reported in Kingston that the bauxite production dropped 26 percent during the first 9 months of 1982 compared to the same period in 1981. During this period, the five transnational companies, mainly North American, which mine bauxite in Jamaica, have said that there will be cuts in their production plans. Jamaican Prime Minister Edward Seaga, who advocates an economic policy of opening to foreign capital, has admitted that the bauxite-producing countries are confronting serious pressures from the mining companies which are asking for new cuts in the production. [Text] [PA251644 Havana International Service in Spanish 1600 GMT 24 Nov 82]

FACTIONALISM AFFECTING TEACHERS' TRADE UNION EXPLAINED

Mexico City UNOMASUNO in Spanish 5 Dec 82 'Pagina Uno' Supplement pp 5-6

[Article by Joel Hernandez Santiago: "SNTE, a Trade Union Giant in Crisis"]

[Text] One of the major trade unions in Mexico and, owing to its size, in Latin America, the National Union of Education Workers [SNTE], with approximately 600,000 members, is in a state of crisis; a serious crisis which dates back for a long time and which has recently been manifested by the inability of its leaders to provide a solution for the external conflicts but, more than for these, the internal ones.

SNTE's political force is undeniable. Because of its size, its alliances and its great mobilizing capacity in presidential campaigns and its capacity for government backing, it has served as an aid in government decision-making, something which has brought some of its leaders to key positions held in public administration. Starting in 1979, this officialization evoked dissatisfaction among many teachers who belong to the union; which resulted in mass demonstrations and verbal confrontations in 1980, 1981 and the beginning of this year between the two internal movements: Revolutionary Vanguard (VR) and National Coordinating Group of Education Workers and Democratic Organizations (CNTE) of SNTE.

First Organizations

In 1930, the education workers began their mass participation in the country's political activities. Even before then, there were signs of a major contribution to educational work with a deep-seated popular essence (recall the efforts of Moises Saenz and Narciso Bassols), which was implemented starting in the 1920's by the first governments that came into existence from the revolution. At that time, an educational policy was established which was aimed at serving the peasant population, creating the rural school system, an endeavor which failed, not only because of the rural teachers' lack of training, but also because, in 1922, there were only 309 rural schools, attended by 17,925 pupils, an enrollment which, in 1930, rose to 6,132 and 324,798, respectively. By 1938, during Lazaro Cardenas' government, the schools numbered 12,208 and the pupils enrolled, 683,432. The situation in the urban areas, although less serious, was not much different.

Previously, in 1919, a considerable number of teachers from Mexico City organized a strike between February and June, in which 49 higher schools, 136 elementary schools, 43 night schools and 13 kindergartens, all with a total of 1,868 teachers, participated.

For this movement, they received the backing of CROM, the streetcar workers and others. The petitions related basically to a raise in salaries, although one important point was the demand for federalization of education, which at the time was considered by them to be essential.

Another key phase in the teachers' progress was the reform to Article 3 of the Constitution, promoted by Narciso Bassols, secretary of education, in 1932, who introduced features of a socialist type into the country's basic education; a reform which, unfortunately, many teachers did not understand, and hence gave up their educational work.

But the first formal attempt at unifying trade union organizations among the teachers was made in 1937. They wanted to create a single organization that would enable them to have actual representative status with respect to the authorities in the Secretariat of Public Education (SEP). This attempt culminated in the First Congress of Unity, but it was not until 1943 that President Manuel Avila Camacho, upon detecting an increasing influence on the sector by the communist wing, decided to create a single confederation, with the merger of STERM (Union of Education Workers of the Mexican Republic), SUNTE (Single National Union of Education Workers), FSAM (Federation of Autonomous Teachers' Unions), SNTE (National Autonomous Union of Education Workers) and other small groups.

With the National Union of Education Workers (SNTE) established, the first National Executive Committee was comprised of representatives from different political and ideological movements. These included, among others, Luis Chavez Orozco, secretary general of the Workers University, and Luis Alvarez Barret, secretary of labor and disputes at the same university.

During this period, there occurred a series of ideological internal conflicts, which precluded evidence of a truly organized structure within the union.

The years from 1943 to 1949 represented a period of internal accommodation for the teachers. This took place under the leadership of Luis Chavez Orozco and Gaudencio Peraza Esquilano.

From 1940 to 1952, one perceived a phase of calmness, with the leadership of Jesus Robles Martinez, who managed to unify the different political movements to some extent, without thereby providing a total solution to the problems. During this phase, SNTE was already a fully integrated union, with internal problems which did not become major.

1943-1980

Between 1943 and 1980, SNTE held 13 National Congresses, 17 Regular National Council Meetings and eight Special National Council Meetings. Starting with the Third Regular National Congress (November 1952), nearly all the secretaries general on the National Executive Committee (third-ranking within the union, although first in authority) held this office for 3 years: 1953, Manuel Sanchez Vite; 1955, Enrique W. Sanchez; 1958, Alfonso Lozano Bernal; 1961, Alberto Larios Gaytan; 1964, Edgar Robledo Santiago; 1967, Felix Vallejo Martinez; 1971, Carlos Olmos Sanchez; 1972, Eloy Benavides Salinas; 1974, Carlos Jonguitud Barrios; 1977, Jose Luis Andrade Ibarra;

and, from 1980 to date, the contradictory leader Ramon Martinez Martin, Jonguitud's son-in-law.

Over the past 25 years, three great internal upheavals disturbed SNTE. The first (perhaps the major one during those years) was that of 1957-58, when the Teachers' Revolutionary Movement (MRM), headed by Othon Salazar, shocked the official faction of teachers by fighting for control of SNTE's Section 9, associated with the Federal District, together with Section 10.

On 6 September 1958, Othon Salazar was jailed for expressing his disagreement with the union's internal policy. The leader remained incarcerated until 5 December of the same year, a date on which President Adolfo Lopez Mateos had him released after strong pressure had been imposed. In any event, Salazar's initiative was the seed of one of the factions which has shown the greatest consistency and presence to date.

Another significant problem was the dismissal of Carlos Olmos Sanchez (on 22 September 1972), when Jonguitud Barrios, backed by the Council on Vigilance, gave the leader a sudden blow, and he was replaced by Benavides. The movement was used for the creation of the teachers' Revolutionary Vanguard (VR), a faction formed to oppose dissent from the internal left.

Together with VR, there began the process of breaking down the union. VR has, traditionally, been the officialist portion of the group, the faction which has at all times addressed the interests of its creator, Carlos Jonguitud Barrios and which, at the appropriate time, has been used to demonstrate support and solidarity around the leaders who have emerged from this group.

The Economic Conflict

Education is probably the specific activity that directly involves the largest number of Mexicans. A total of 17.5 million children and adolescents are students, and some 600,000 persons are engaged, totally or partially, in education and school administration. This amounts to considerable proportions in a country which showed the figure of 67.4 million inhabitants in the last population census.

It would be worthwhile to observe the process of growth in the country's student population, on the primary and secondary levels. In 1952, there were 3.5 million students; in 1958, 4.5 million; in 1964, 7.4 million; in 1970, 11.5 million; in 1977, 14.85 million; and in 1980, approximately 18 million. The situation becomes aggravated when one considers the following figures: Between 1.5 and 2 million children do not enroll in basic education for reasons that are known (alienation, poverty, unemployment, lack of slots, lack of food, etc.). Out of every 100 who do enroll, 57 do not reach the fourth grade, and only 46 finish it.

The statistics are tragic in a country that needs to form a trained society and that, despite the plans which have been established (many of them contradictory), has had to confront serious difficulties in solving one of its basic problems: education.

Mexico currently has a conglomerate of education workers which, as we have noted, amounts to nearly 600,000 teachers, whose minimal demands for welfare must be met.

The conflict involving teachers that the country has experienced for the past 3 years may be divided, basically, into two categories: the economic and the inter-union.

The teaching profession has been traditionally poorly paid in our country, but it was not until May 1979 that the teachers from Section 7 held a plenum at which they pledged to declare a strike if SEP did not raise the extra pay for the high cost of living by 100 percent by 16 September. Subsequently, the union's official leaders refused to declare the strike when SEP only agreed to grant extra pay amounting to 1,500 pesos, a sum which was, of course, rejected by the dissident section.

After 25 days of resistance, they returned to work, on the understanding that the 1,500 pesos would be paid without deduction. Nevertheless, the dissatisfaction was already evident.

Under these circumstances, in December 1979 the 12th National Congress was held at Chetumal, on which occasion the demands were basically the same ones put forth at previous forums, such as the one held on 17-18 December in Tuxtla Gutierrez, Chiapas, which may be summarized as: a demand for a 30 percent raise in base pay, starting on 1 January 1980; unfreezing of the extra pay for the high cost of living, and an increment therein based on the conditions in each region; and a battle among the union delegations and sections on behalf of democratization of the union.

The petitions were sustained in 1980, but the official (VR) leaders did not heed the demands. Then the state of Chiapas demonstrated against the withholding of their petitions, and called for the dismissal of their union leaders. At that time, the escalation began. Yucatan, Chiapas, Morelos, Oaxaca, Tabasco, Guerrero, La Laguna, Sinaloa, Baja California Sur, Queretaro, Tlaxcala, Puebla, Valle de Toluca, Guanajuato, Valle de Mexico, Distrito Federal, Hidalgo, Michoacan, Monterrey and Zacatecas united. Generally speaking, the economic demand at the time (May) was reflected in the petition for a 50 percent raise in base pay, an 80 percent increase in extra pay and regularity in the payments, which had not been made to them for many months.

The union leadership was not a participant in these petitions, obstructing the negotiations between the rank and file and SEP, and arguing that it would violate Article 68 of the Federal Law on State Service Workers, an area in which it agreed with the Secretariat.

To the Street

At that time, mass demonstrations were held. The most prominent of these was the one of the Oaxaca teachers which, during the second half of May, prompted them to station themselves outside of the SEP and SNTE buildings. The second most important, owing to its size, was the great gathering of Morelos teachers on 5 November 1980. By then, SEP had granted three salary hikes, on 16 May, 15 August and 1 September; although without fully satisfying the dissidents' petition. On those occasions, the office stated that it would not pay the strikers, reserving for itself the right to apply the penalties stipulated by law, in other words, dismissal.

Up until 15 May 1980, the salaries earned by preschool and elementary school teachers were 9,185.30 pesos, and 13,890 pesos for the post-primary school teachers. On

16 May, the earnings would be 9,835.30 and 15,077.50 pesos; on 16 August, they would be 12,300.60 and 18,882.50 pesos; and on 1 September (with the raise given to all state workers), they would be 12,603.50 and 18,882.50 pesos per month.

By then, the National Coordinating Group of Education Workers and Democratic Organizations (CNTE) of SNTE had been formed, combining all of SNTE's democratic groups, the most prominent of which was MRM, that old group which began at the time of the 1957-58 conflict with Othon Salazar. Although the salary dispute was not resolved on 5 November, it was highly significant that, with the combination of representatives from SEP and SNTE, strikers and the Secretariat of Programming and Budget, it was agreed that the teachers would resume their classes and that, in 120 days at the latest (reckoned from 6 November), a special congress would have to be held, as well as a future discussion with SEP to resolve the item of salaries.

Further mobilizations took place in 1981, although the movement was finally weakened, through not exterminated.

Political Conflict

Although the salary issue was the detonating factor which prompted the provincial teachers to make demands, the inter-union conflict was and still is the most important one. It is obvious that the union is being split as a result of the incompetence of Mr Ramon Martinez Martin, backed by the image of the governor of San Luis Potosi, Carlos Jonguitud-Barrios, who is president for life of the union. Because the local leaders affiliated with VR did not take up the cause of the petitioners, the latter's spirits became heated; and, therefore, they gradually disregarded their local leaders. Thus, a situation was created which Martinez Martin was not expecting, and which he has been unable to solve; although the ostensible present silence may contradict this, regardless of the unlimited backing from the union's president for life.

As we have already noted, SNTE has been an area of political support for many governors, owing to its great capacity for mobilizing masses, which became evident during Jose Lopez Portillo's presidential campaign, when he received Jonguitud's total backing. Within a short time, the favor was repaid with a governorship, and he was succeeded by Jose Luis Andrade Ibarra in the union leadership, a position that had been held by Martinez Martin since the beginning of 1980.

Despite the fact that SNTE is comprised of 55 sections of the Mexican Republic, a large number of them have expressed their repudiation for the current leaders; something that has led to a serious internal confrontation. Among the sections which have been prominent in their participation are those of Zacatecas, Monterrey, Michoacan and Hidalgo, Sections 9 and 10 of Distrito Federal, Tlaxcala, Queretaro, Baja California Sur, Sinaloa, La Laguna, Guerrero, Tabasco, Oaxaca, Morelos, Chiapas and Yucatan; while many others, albeit timidly, have also voiced that repudiation.

The events have caused a decline in the credibility in Jonguitud Barrios' ability, "giving a start" in 1980 to Jose Luis Andrade Ibarra who, at the end of that year and in early 1981, made significant statements concerning the problem, always in favor of VR, and reproaching the dissidents for their "intransigent" attitude.

On the other hand, together with MRM, the official faction has cited PST [Workers Socialist Party], the political clergy and other leftist groups as substantial backers in the democratic movement. Hence, the matter has become political, in view of the battle among positions that it has been attempted to achieve in the union. Although all these dissident groups have become integrated into the Coordinating Group, the diversity of ideologies could represent a serious problem in the event that the conflict should be revived.

Even though SEP has set up a series of mechanisms to implement the current educational programs, the presence of the National Teacher Training University in the instructional area is significant. This is a pledge fulfilled by Lopez Portillo to the Revolutionary Vanguard, whereby it is intended to decentralize education by means of the long-distance university, with 74 establishments in various parts of the republic as of 1981.

In that year, a monumental building for this university was opened on the lower slopes of Ajusco hill. On that occasion, Fernando Solana, secretary of public education, remarked: "This university is a university of the state, organically linked with the educational authorities and integrated into public administration. Being a university of the state and belonging to the teachers simultaneously indicates the close relationship which teachers have with the Mexican state, according to our laws. (The university) is the major tool for raising the quality of education throughout the entire country."

With the establishment of this institution, it was also intended to provide a solution for the proliferation of normal schools, incapable of giving teachers proper training; something that has been shown in the low quality of public education in Mexico, a shortcoming which, in fact, has been acknowledged by the secretary of the educational area. It is also important to rescue the teachers' union from the blight in which it has been submerged, which has led to the identification of this union as a springboard with which to attain key positions in the federal government.

The Explosive Potential

The present confrontation is an inter-union one; 600,000 dissatisfied teachers are sufficient potential to be able to bring the country to a situation similar to that of 1968. The mobilization capacity has already been proven and stressed (on 22 September 1982 alone, Revolutionary Vanguard transported 80,000 teachers, who congregated in the Azteca Stadium to offer their support to President Lopez Portillo on the occasion of the bank nationalization. Also on that date, in a gesture of self-defense, Martinez Martin commented: "We are not a sectarian union, nor is there any arrogance or false modesty in our union. Democracy is practiced in our organization, because we are a broad front, in which there is room for all ideologies, including creeds.")

Although the teacher's Coordinating Group claimed to have its sympathizers totaling 25 percent of the union, there must be added to this the strong support that it has received from independent and democratic groups, something that is undeniable.

VR has also made a show of power at various mobilizations during the past 3 years. A confrontation between the two movements would bring tragic results, not only for education, but for the country as well.

The power vacuum within the union must be resolved immediately (soon, the Special Congress is due to take place, concerning which the office of publicity and advertising claims to "know nothing.") The present silence does not mean that the dissatisfaction has been appeased. Outbursts similar to those in previous years could reflect more radical positions, with different intentions. Meanwhile, the teachers have, in addition to their inter-union problem, a situation created by the fact that this is a country with an educational coefficient of 3.8, with 6.4 million illiterate people and 1.2 million Mexicans who do not know the Spanish language. This must be borne in mind with regard to the need for authentic democratization of the union, as well as for effective educational practice.

2909

CSO: 3248/372

BANK OFFICIAL REVIEWS ECONOMIC SITUATION

PY132132 Paris AFP in Spanish 1446 GMT 11 Dec 82

[Text] Lima, 11 Dec (AFP)--Richard Weeb, President of the Peruvian Reserve Bank (which issues currency), has stated that although 1983 could be as confusing and difficult as 1982, Peru will be able to maintain an acceptable economic growth rate, control inflation and bring its balance of payments to a point of equilibrium.

Speaking to newsmen, Weeb last night said that external negative factors could be overcome through ample foreign credits which were already secured for the public sector. He noted, however, that credit will continue to be restricted for the private sector.

Yet, he said he was in favor of taking some temporary measures designed to protect industries, especially those threatened by foreign dumping [in English] and those involving large investments and work force.

Weeb said that despite internal and external problems, in 1982 it was possible to have a minor growth, increase reserves, maintain the employment level, strengthen the balance of payments and make public investments which will yield benefits in the years to come.

After stating that predictions about the international economy are confusing and contradictory, Weeb said there are signs of reactivation for 1983, even though protectionist trends will persist for a few years.

Weeb said there are good prospects for increased agricultural production and improved prices for some export minerals and petroleum in Peru. He noted, however, that fishing could be affected by the warm El Nino current.

Weeb also said that to keep the trade balance under control it will be necessary to reduce imports, although this is not quite desirable because it would cause a drop in investments and production.

As to what should be done if there are problems with availability of foreign currency, he said controls should be applied on exchange rates. He noted that these controls exist but are not applied because there is a good supply of foreign currency.

Weeb said that among the achievements of the government's economic policy was the reduction of the liquidity growth rate to 30 percent annually.

Concerning inflation, which this year will be on the order of 70 percent, Weeb said price increase rates were reduced in recent months except for those items regulated by the government (energy, fuel and other services), and thus the public sector has become a leading factor in stimulating inflation.

CSO: 3348/136

PAPER QUESTIONS FOREIGN MINISTRY PERFORMANCE

PY021405 Lima EXPRESO in Spanish 19 Nov 82 p 18

[Editorial: What Is Going On at Torre Tagle?"]

[Text] Once it has been defined, a country's foreign policy must be implemented seriously and consistently. Mistakes in foreign policy implementation are far more serious than mistakes made in internal political matters. Inconsistencies and lack of seriousness in foreign policy hurt a country's prestige. And that is a very serious mistake.

It is necessary to reiterate these simple and basic principles, given the attitude recently adopted by the president of the republic and the foreign ministry toward the enforcement of countervailing duties--by the U.S. Department of Commerce--on Peruvian textiles.

Our rights and our need to negotiate improved trading conditions for our textiles are no justification for taking improper actions. But we have, unfortunately, done that.

First, we believe that it was wrong that the president of the republic should threaten to impose restrictions on imports from the United States, since such a measure would be inadequate and impracticable. Second, we believe that the attitude adopted by the foreign ministry during the OAS meeting recently held in Washington was a fairly serious mistake.

Our country cannot change, all of a sudden, its position regarding the OAS and the OAS's future, a position defended just a few weeks ago. That our foreign minister also suddenly appears as a fervent supporter of Cuba's entry into the OAS is something even worse.

This sudden change has nothing to do with the current dispute with the United States. The enforcement or lifting of countervailing duties on our products by that country has nothing to do with the totalitarian nature of the Cuban communist dictatorship. Countervailing duties in no way change the fact that Cuba is an agent of communist subversion in America.

We would like to believe that Peru has followed a well-defined foreign policy and that it has advocated, under the most scrupulous respect for our sovereignty and for the country's real and abiding interests, the defense of the democratic system now threatened by Castro's dictatorship. If Peru has followed such a policy, the foreign ministry action can be regarded as a wrong step. If Peru has not followed such a policy, we must confess that we do not know where we stand.

BRIEFS

ITALY GRANTS CREDIT LINE--The Italian government has granted a \$1.5-million loan to the Peruvian government to build some factories to produce alcohol from sugarcane. The factories will be built in the lower Amazon jungle area. Construction of the first factory will begin at the end of 1982. Similarly, a mixed Italian-Peruvian enterprise will be created for the purpose of growing sugarcane. [PY052130 Lima EL COMERCIO in Spanish 20 Nov 82 p A4]

TRADE WITH PRC--Fang Xinmin, commercial counselor at the PRC Embassy in Peru stated on 20 November during a press conference that the PRC has purchased half the zinc plate Xinmin from the Cajamarquilla factory. Similarly, Fang Xinmin reported that the PRC has purchased Peruvian cotton and minerals worth \$80 million, and that Peru has purchased Chinese machinery and light tools worth \$8 million. [Lima EXPRESO in Spanish 21 Nov 82 p 3 PY]

CSO: 3348/136

NEW PARTY AGAINST INDEPENDENCE FOR NEVIS

FL230201 Bridgetown CANA in English 2345 GMT 22 Nov 82

[Text] Basseterre, St Kitts, 22 Nov (CANA)--Britain should not allow the small Caribbean Island of Nevis to become politically independent until the base for its economic independence has been laid, the leader of the newly formed People's Democratic Party (PDP), Theodore Hobson, has suggested.

"...Nevis is certainly not ready for independence," said Mr Hobson in a comment on the government's plan to take the British associated State of St Kitts-Nevis into political independence next year.

"It hasn't got the infrastructural services or facilities for growth, hence it would be extremely difficult for the economy of St Kitts and Nevis to bear that expense of getting the infrastructural services in place so that the country can move forward."

The main opposition group here, the Labour Party, has said it is against the independence plan because the government does not have the mandate to commit the two islands to political independence.

Mr Hobson said: "Nevis should remain as a colony of the British Government, like Montserrat, Tortolla and Anguilla.

"For the next five years, the British should be responsible for the budgetary and development aid to the country, to set it on its course by sending some funds into the country to build up its airport, port facilities, roads, to get the electricity to a stage where it can take on more investments from abroad," he added.

CSO: 3298/1173

ENVOY HERRENBERG URGES VISIT BY DUTCH MINISTERS

PM171611 Rotterdam NRC HANDELSBLAD in Dutch 9 Dec 82 p 1

[ANP report: "Suriname Invites Ministers Schoo and Van Den Broek"]

[Text] The Hague, 9 Dec--To improve mutual understanding between the Netherlands and Suriname the Dutch Development and Cooperation Minister Schoo and Foreign Minister Van Den Broek should visit Suriname.

Suriname's recently appointed ambassador to the Netherlands, Henk Herrenberg, made this statement at a press conference in The Hague yesterday. Because relations between the two countries have been cool since the coup d'etat in February 1980, Herrenberg said, the ambassador considers it desirable that Dutch ministers should form a personal assessment of developments in Suriname. "Never before has such deep consideration been given to democracy in Suriname," the ambassador said.

He pointed out that it was announced recently in Paramaribo that a committee of experts would be formed and that it would present a report before the end of March 1983 on new democratic structures, and on the function and composition of a National Assembly in particular. A constitution drawn up by this assembly will be put to the people, Herrenberg said.

He said that attempts to apply pressure from outside to speed up the democratization process would not be good. There are, Herrenberg said, "counterrevolutionaries" who want the Netherlands to end its development aid to Suriname. But people who are truly in favor of rapid democratization should promote development aid.

Here Herrenberg expressed criticism of a recent labor party report which said that there was no guarantee that the aid was reaching the right people as long as there was no democracy in Suriname. Herrenberg did not approve of the report's suggestion that aid might be halted.

CSO: 3214/10

END